

CANADA

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

FIRST SESSION—TWENTY EIGHTH PARLIAMENT

18 ELIZABETH II

VOLUME VII, 1969

COMPRISING THE PERIOD FROM THE TWENTIETH DAY OF MARCH, 1969,
TO THE TWENTY FIFTH DAY OF APRIL, 1969, INCLUSIVE.

INDEX ISSUED IN A SEPARATE VOLUME

THE QUEEN'S PRINTER, OTTAWA, 1969

29180—436½

HOUSE OF COMMONS

Thursday, March 20, 1969

The house met at 2 p.m.

BUSINESS OF THE HOUSE

PROCEDURE ON GOVERNMENT ORGANIZATION MEASURE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, as I indicated yesterday, I would like to present to the house the possibility of making a procedural decision with regard to Bill C-173 respecting the organization of the Government of Canada. We have now spent eight sitting days on the bill and it is my impression that members generally would be pleased to see it pass without delay. I wonder if there would be agreement to have it completed before we adjourn this evening.

This could be done in two possible ways, by making an order that all questions should be put at ten o'clock this evening or, alternatively, we would be perfectly agreeable to an order that the time of the sitting be extended and that all questions be put at the end of the extended period of time. I might also indicate that we would be quite agreeable, if other hon. members are, to suspend private members' hour for this purpose.

I have taken the liberty of preparing two motions, Mr. Speaker, one to have all questions put at ten o'clock, and another motion to have all questions put at a later time, if that is the preferred alternative. If one or the other is found to be acceptable to the house we could have it made an order now.

I should add that if the bill is completed before ten o'clock, in view of the fact that the house sat late last evening it would not be the intention of the government to call another item of government business later today. Perhaps we could have an indication from hon. members as to whether one or other of these two courses would be acceptable.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, the portion of the reorganization bill that is left for discussion concerns the regional development department. This is possibly one of the most fundamental and important sections of the bill, and we have not yet started upon it. We certainly would like to make progress on the bill and will do everything we can to see it is brought to completion, however we do have several speakers who want to make their views known, and who have questions they want to ask of the minister.

I would prefer to wait until this evening to see what sort of progress we have made. The motion for extension of the hours could be brought between nine o'clock and ten o'clock, if at that time it is felt to be useful; but at this particular time we are not prepared to agree to either of the motions that the President of the Privy Council has suggested.

• (2:10 p.m.)

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, we too regard the portion of the government organization bill yet to be discussed as one of its most important aspects, but we feel it is not unreasonable that we make an effort to conclude the discussion on this bill today. Of the two proposals made by the President of the Privy Council, we believe the one that would allow extra time is preferable, so that hon. members who have contributions to make will not be cut off. We would have been prepared to reach an agreement at this point, but as it would appear this is not possible, perhaps we could discuss the matter during the day and re-open the question some time during this evening, depending upon the progress made.

We recognize that a number of days have been spent on this bill; but the President of the Privy Council will also recognize that we had to spend more time on the Post Office Department than we might otherwise have spent, for reasons which are pretty well known. We do not feel that the time we had to spend on that department should cut into the time to be spent on the important department which is before us today. Nevertheless we hope that by co-operation during the day we will make such progress as to make it possible to conclude debate on this bill tonight.

Inquiries of the Ministry

ORAL QUESTION PERIOD

EXTERNAL AFFAIRS

NIGERIA—DISCUSSIONS LEADING TO CESSATION OF HOSTILITIES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Secretary of State for External Affairs whether he can now say briefly what message he has sent to the government of Nigeria through our High Commissioner in Lagos.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, our High Commissioner has not yet been able to make arrangements to see the principal officials of the Nigerian government.

Mr. Stanfield: I hope the Secretary of State for External Affairs and the High Commissioner are not relying on the mail services for this purpose.

Mr. Diefenbaker: I hope we will not have to start using smoke signals.

Mr. Stanfield: Could the Secretary of State for External Affairs indicate to the house, in view of the obvious interest of other countries in co-operating in attempting to reach a settlement of the Nigerian problem, whether he, other members of the government or the government as a whole through its officials, has launched any new initiatives by way of talks with representatives of other countries such as Britain, Russia or France relating to the possibility of an effective cessation of arms shipments, and discussions leading also to a cessation of hostilities and effective negotiations.

Mr. Sharp: Mr. Speaker, the Canadian government does not think any useful purpose would be served by taking an initiative in this regard. We have, however, discussed with a number of governments the possibility that an initiative might be taken by someone who could be fairly effective. As the hon. gentleman knows, quite a number of mediators have tried this from time to time, some of whom would I think be most suitable—such as the Emperor of Ethiopia, the Secretary General of the Commonwealth and others. I believe it would be more useful for us to support their efforts than to take a separate initiative.

Mr. Stanfield: Can the Secretary of State for External Affairs indicate when he will be in a position to inform the house concerning the suggestions his government has made to the government of Nigeria through its High Commissioner?

[Mr. Knowles (Winnipeg North Centre).]

Mr. Sharp: I think it would be desirable to wait until after we have the reaction of the Nigerian government.

Mr. Stanfield: Can the minister give us any idea in terms of time?

Mr. Sharp: No; that does not depend only on us, but on the Nigerian government itself.

ANGUILLA—REQUEST FOR REPORT ON BRITISH ACTION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I wonder if I might direct a question to the Secretary of State for External Affairs regarding the recent events which have taken place in Anguilla. In view of our membership in the Commonwealth and Canada's very friendly interest in the people of the Caribbean area can the minister give us any report on what is happening and whether he has had any information from the government of the United Kingdom regarding its intentions.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we have been following these events very closely. The United Kingdom government informed us in advance of the steps to be taken by Britain to establish a commissioner in Anguilla. We were not of course consulted, since the measures proposed and now put into effect are clearly within the constitutional authority of the United Kingdom government acting at the request of and in agreement with the government of St. Kitts. We recognize the difficulty of the position in which the British government found itself. From the reports we have and the statements made by the foreign minister of Britain the situation now is that they are trying to instal a commissioner in Anguilla, with the task of working out a long term solution to the problems of that island which is acceptable to all concerned, including the people of Anguilla.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask the Secretary of State for External Affairs if Mr. Arnold Smith, the Secretary General of the Commonwealth, is keeping in touch with the situation, and whether he is reporting and will be reporting from time to time to the Canadian government and other members of the Commonwealth regarding these developments?

Mr. Sharp: Mr. Speaker, I do not know the answer to that question. I do not know just what action the Secretary General has taken. Of course he is not under the control of the Canadian government, but I am sure he will be reporting to all of us in due course.

VIET NAM—EASTER SUNDAY PROTEST MARCH

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I am directing a question to the Prime Minister in connection with what is entitled "Viet Nam International Protest March April 6 Easter Sunday". There are quite a number of sponsors, many of them connected with the N.D.P., and holding various positions. I was not able to be here last evening because of a prior engagement, and I should therefore like to ask the Prime Minister what he has to say to suggestions contained in this pamphlet to the effect that there is shocking new evidence of the Trudeau government's complicity in Viet Nam; that Canadian troops are being trained in guerilla warfare, and that there is a standing offer by Trudeau and Sharp to send forces to Viet Nam?

Some hon. Members: Shame, shame.

Mr. Diefenbaker: What does the Prime Minister think of this outrageous collection of so-called reasons for calling together a march on behalf of Canadians?

Right Hon. P. E. Trudeau (Prime Minister): If the propaganda is no more serious than that, I will tell the house that I do not plan to change my intention of not being in Ottawa on Easter Sunday.

Mr. Diefenbaker: Mr. Speaker, that answer was rather more frivolous than I would have thought appropriate. I ask this question in all seriousness. This demonstration is not going to take place in Ottawa. Unused as the Prime Minister is to travel, this is in Vancouver, and the salubrious atmosphere there might attract even him. Is there any foundation for the suggestions made in this statement that is being used as a propaganda means to convene a meeting, and a march against the stand of Canada regarding Viet Nam?

Mr. Trudeau: Mr. Speaker, I of course have not read this. I do not want to answer the question frivolously at all. If there is anything serious about the document, I would like to consider any suggestions. Everything quoted by the right hon. member appears to me just pure fantasy.

An hon. Member: Just like the N.D.P. itself.

Mr. Trudeau: Yes, just like the N.D.P. itself.

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. The hon. member for Selkirk.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I wonder whether the Prime Minister could say if it was entirely fantasy when he referred to the Liberals as idiots.

Some hon. Members: Oh, oh.

Mr. Hees: The answer is no, of course!

[*Translation*]

THE CANADIAN ECONOMY

PARTICIPATION BY THE PUBLIC IN PREPARATION OF LAWS

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to direct a question to the Prime Minister.

In view of the Prime Minister's recent statement, in Toronto, concerning the insufficient participation of the people in the law-making process, could he tell the house whether he is considering the use of concrete and practical methods to improve this situation and whether recommendations will be submitted to the house to this effect?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, most of the instruments or methods we are contemplating are related to the Liberal party organization. This great party has ramifications right across the country, but we want to make it a mass party and our projects are well underway.

Mr. Fortin: Mr. Speaker, I would like to ask a supplementary question.

In view of the fact that the Canadian people belong to the party of their choice, Liberal, Progressive Conservative, New Democratic or Créditiste, would the Prime Minister tell us whether he is seriously considering using some means whereby all the people, young and old, will participate in the law-making process?

Mr. Trudeau: Mr. Speaker, we have in fact introduced several reforms in the house. One of these is intended to enable parliament to

do its business more expeditiously. Another measure deals with the availability of funds to opposition parties as a means of obtaining the services of researchers that would assist them in asking better questions and finding some of the answers.

Mr. Fortin: Mr. Speaker, I have another supplementary question.

Mr. Speaker: May I suggest to the hon. member that this subject should not be pursued further.

[*English*]

OIL

EFFECT ON INDUSTRY OF NATIONAL ENERGY POLICY

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Prime Minister. Was the Acting Minister of Energy, Mines and Resources expressing government policy when he told the Canadian Petroleum Association in Calgary on Tuesday that there would be no special consideration for Canadian oil in a national energy policy?

Right Hon. P. E. Trudeau (Prime Minister): I will have to verify the statement, Mr. Speaker; I am not aware of it.

Mr. Aiken: A supplementary question, Mr. Speaker. I ask the minister if he would make available copies of his remarks in Calgary either to the house or individually to hon. members.

Mr. Orlikow: Or to the Prime Minister.

Mr. Trudeau: Send it by mail.

Mr. Hees: Not until after Easter, then.

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): Mr. Speaker, I would be glad to have the tape of my remarks transcribed and make a copy of the transcript available to the hon. member. I appreciate his interest. I would only like to say that the particular reference to the speech he has made, and several others which I have seen, would not be verified by the transcript.

Mr. Aiken: A further supplementary question, Mr. Speaker. Did the minister provide representatives of the petroleum industry with any indication of the position that would be taken on behalf of Canadian oil by the Prime Minister in his meetings next week?

Mr. Lang: No, I did not, Mr. Speaker. I in fact explained to the representatives of the oil industry that clearly I would not be in a position to speak on that subject. I told the oil industry some pretty simple home truths about the reasonable positions they should expect, that they would have to take in Canada. I also told them quite plainly that they could expect the government of Canada to take a reasonable position in regard to them.

EXTERNAL AFFAIRS

DIPLOMATIC RECOGNITION OF THE VATICAN

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I would like to direct this question to the Prime Minister. Has the Prime Minister done anything about his undertaking to sample public opinion in regard to Canada's recognition of the Vatican?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. We have done a great deal of sampling in cabinet and in caucus. We have had a lot of opinions expressed to the government in caucus and I have, of course, received a great deal of mail myself. But there has been no so-called scientific sampling of public opinion.

Mr. Diefenbaker: Is it scientific when you get it from your own party?

DOMINION-PROVINCIAL RELATIONS

MEDICARE—PARTICIPATION BY ONTARIO

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. Is the minister in a position to make any statement concerning the discussions between himself and the minister of health of Ontario with respect to the prospect of that province coming into medicare?

Hon. John C. Munro (Minister of National Health and Welfare): I have nothing further to add, other than what I said about a week and a half ago subsequent to my last meeting with him.

Mr. Knowles (Winnipeg North Centre): I have a supplementary question. Can the minister indicate to the house how many other provinces, apart from those that are already in medicare, are discussing this possibility with the federal government?

Mr. Munro: My information is that three additional provinces will be coming in as of April 1 of this year, and that at least one or two others are considering coming in but have not definitely made up their minds.

[*Translation*]

POST OFFICE DEPARTMENT

MONTREAL ROD SERVICE VIOLENCE IN DELIVERY SERVICE

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I wish to direct a question to the Postmaster General. In view of the violence which erupted yesterday in Montreal and in view of the fact that he will not be in the house Monday, I would like to ask the minister whether he could make a statement today regarding this situation?

Hon. Eric W. Kierans (Postmaster General): Yes, Mr. Speaker. The report will be a little longer than usual.

[*English*]

The situation in Montreal gives me cause for great concern. Public delivery has been disrupted. Much more seriously, men have been beaten up, tires have been slashed and windshields broken. This organized reign of terror is a culmination of a three year history of labour troubles and breakdowns in public service. We are seeking to resolve both the short term problem of violence and the long term problem of unsatisfactory service to the public.

On January 28, Rod Service announced it was laying off 110 drivers. Subsequently, because of labour problems, Rod Service informed us it wanted to withdraw entirely from its contract with us. For our part we are happy that it should do so. We did not seek this; it was imposed upon us. We are ready to absorb immediately Rod Service employees into the Post Office, including all but a maximum of 69 of the 110 to whom lay-off notices have been given. Of the 424 employees, 27 are already on our staff; another 254 have applied to join the department. As Post Office employees they would enjoy greater security and better fringe benefits.

The national union of Rod Service employees has insisted that the Post Office fulfil the union contract with Rod service which runs to March 30, 1970, and has demanded that we do this by creating a special Crown corporation or agency. This would mean that one year from now we would be back exactly where we started.

Mr. Speaker: Order, please. I hesitate to interrupt the minister when he is speaking on such an important matter. I wonder whether, if his statement is to be of some length, he would not prefer to revert to motions. Does he have the agreement of the house to complete his statement now?

Mr. Kierans: I have only another few sentences, Mr. Speaker. We are ready immediately, if the union agrees, to absorb all the employees we can into the public service. Alternatively, we are negotiating with another company to take over postal delivery in Montreal. Unhappily, no agreements have been reached. But pending such an agreement, I state flatly that we will not be intimidated, nor will we condone violence.

[*Translation*]

Mr. Valade: Mr. Speaker, could the Postmaster General tell us what seniority rights he is prepared to grant to the employees he wishes to reinstate?

Mr. Kierans: Mr. Speaker, this will be a matter of negotiations between the postal union, the carriers union, the department and the employees themselves.

[*English*]

Hon. Robert L. Stanfield (Leader of the Opposition): I have a supplementary question, Mr. Speaker. The minister must be familiar with the recent statement of the Letter Carriers' Union contradicting statements that he has made in the house and asserting that the minister has not been properly informed. However I should like to ask him whether there is any foundation for the assertion that the Post Office representatives have told the union that the statements made by the minister in the house are in no way binding upon the minister?

Mr. Kierans: I would like to know the name of the man who made the statement.

An hon. Member: There goes another unemployed.

Mr. Stanfield: I suggest that the minister had better read the recent communication by the union. Would the Postmaster General say whether during the discussions with the postal unions his department has been asked to institute mediation or arbitration proceedings, as distinct from adjudication proceedings?

Mr. Kierans: The two major unions have contracts with the Treasury Board and these contracts outline all the procedures that they may take if there are complaints and dissatisfactions, important enough to warrant filing a grievance. So far as I know, there has been no demand for mediation in these particular complaints. On the four major differences involving the single mail processing system in particular, the union and the Post Office have

agreed to go directly to adjudication and, so far as I know, both parties are satisfied.

Mr. Stanfield: I have a supplementary question, Mr. Speaker. I should like to be perfectly clear. Am I correct in understanding the Postmaster General to say that he has no knowledge of the union asking whether he and his department will institute mediation or arbitration, as distinct from adjudication proceedings?

Mr. Kierans: There has been some difficulty about the translation of the word "adjudication". The word "arbitre" applies in French to both an adjudicator and an arbitrator, to the best of my knowledge. On one occasion, as Mr. Decarie admitted to me himself, when I was talking about adjudication—and the Prime Minister also used that word one day in the house—the journalists interpreted this to Mr. Decarie as "arbitre", and Mr. Decarie explained to me that he thought we meant arbitration when all I meant was adjudication. I think this point has been cleared up between us.

Mr. David Orlikow (Winnipeg North): When the Postmaster General says the Post Office Department is ready for this question to be adjudicated, is he ready, first of all, to settle the question whether the department has or has not the right to institute the straight-through walk system?

Mr. Kierans: These are precisely the issues which are going before the adjudicator. I certainly would not want to say what I consider the adjudicator would or would not have the right to decide.

Mr. Orlikow: The question was this: Will the department suggest to the adjudicator that under the terms of the contract he has no right to rule on the straight-through walk?

DELAY IN MAIL DELIVERIES

Right Hon. J. G. Diefenbaker (Prince Albert): My supplementary question is directed to the Prime Minister, Mr. Speaker. In view of the seriousness of delays in the delivery of mail in this country, to the extent that some people are beginning to wonder whether transmission by smoke signals would not be faster, would the Prime Minister, bearing in mind the truculent and defiant attitude of the Postmaster General in connection with the postal employees, turn this problem over to the Minister of Labour who seems to have some diplomatic qualification for getting labour disputes settled?

[Mr. Kierans.]

Right Hon. P. E. Trudeau (Prime Minister): I am willing to look into this matter, but I feel that if we are obliged to resort to smoke signals I had better turn it over to the Minister of Health and Welfare.

Some hon. Members: Oh, oh.

[*Translation*]

Mr. Valade: Mr. Speaker, I wish to ask the minister a supplementary question.

Considering the importance and the urgency of the matter, I believe that the minister owes it to himself to supply answers, since we are seeking a better postal service.

Since the taxpayers now have to bear the burden of increased postal rates, could the minister tell us when he hopes to conclude negotiations with the union and when he expects delivery to return to normal in the Montreal area?

Mr. Kierans: Mr. Speaker, we have been negotiating with the union for six or seven weeks and we are keeping in touch with the union and the C.N.T.U. Of course, the discussions will continue over the week-end; however, a week ago, the representatives of Rod Service Limited bluntly informed us that they intend to give up their operations.

[*English*]

CIVIL SERVICE TESTS FOR ROD SERVICE EMPLOYEES

Mr. Donald MacInnis (Cape Breton-East Richmond): I have a supplementary question which might be better handled by the Secretary of State, but in his absence I would direct it to the Prime Minister. Since the Prime Minister has indicated that Rod Service employees will be taken on as employees of the Post Office Department, will it be necessary for them to sit the civil service examinations and to qualify themselves in the usual way?

Right Hon. P. E. Trudeau (Prime Minister): The Secretary of State has had to leave for Paris to represent the Canadian government, but I shall draw the question to his attention.

Mr. MacInnis: The Postmaster General may be able to handle the question.

Hon. Eric W. Kierans (Postmaster General): The 27 employees we have already hired have not yet taken the examination, but they have to fulfil all the requirements of the public service, of course.

Mr. MacInnis: Will this include the provision for veterans preference?

Mr. Kierans: We observe all the regulations of the public service act.

GRAIN

WHEAT—REQUEST FOR FLOOR PRICE EQUALLING I.G.A. MINIMUM

Mr. A. P. Gleave (Saskatoon-Biggar): May I address my question to the Minister of Industry, Trade and Commerce, Mr. Speaker? In view of the fact that a motion has been passed unanimously in the Saskatchewan legislature urging the federal government to guarantee farmers a floor price for export wheat equal to the minimum price of the International Grains Arrangement, and the institution of a domestic price for wheat of $1 a bushel above that figure, will the minister and the government give this request immediate and active consideration?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Of course we shall, Mr. Speaker, but as I have said repeatedly, there are real hopes that we shall return to the I.G.A. price schedule, and every effort is being made toward that objective now. So I think these gentlemen are anticipating a situation which may not develop to the extent they fear.

Mr. Gleave: May I point out to the minister—

Mr. Speaker: Order, please. The hon. member may not point things out to the minister; he can only ask questions.

Mr. Gleave: Then may I rephrase what I have to say? In view of the fact that Wheat Board offering prices are now lower than at any time during the life of the International Grains Arrangement, will the minister give this motion careful thought?

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Since wheat is now being sold below the floor price quoted under the International Grains Arrangement, is it the intention of the government to make up to the Wheat Board the losses which will be incurred during this period, until such time as we are able to get back to the schedule of prices contained in the agreement?

Mr. Pepin: I apologize for having to use the formula that this would be a matter of government policy to be announced in due course.

Inquiries of the Ministry

WHEAT—PRICE DISCUSSIONS AT LONDON MEETING

Mr. A. B. Douglas (Assiniboia): Can the Minister of Industry, Trade and Commerce tell the house what progress was made toward settling this price dispute at the meeting held in London on Monday and Tuesday of this week?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I have a short report from that meeting, Mr. Speaker. The committee acknowledged that a serious price situation has developed, particularly in recent weeks, and agreed that appropriate action should be taken as soon as possible to strengthen and maintain the International Grains Arrangement. The committee concluded that the pricing problem should be dealt with initially by exporters, and agreed to adjourn its meeting and to reconvene as soon as practicable, following the exporters meeting, which is to take place early in April.

POST OFFICE DEPARTMENT

VANCOUVER—PERMANENT EMPLOYEES TO REPLACE THOSE HAVING CASUAL STATUS

Mr. Mark Rose (Fraser Valley West): My question is related to the questions asked earlier about the Post Office. Since the Postmaster General promised that with the introduction of the five-day week the need for casual employees would diminish, can he advise the house how soon we may expect that some of the 600 successful applicants for postal positions will replace casual employees, numbering over 100, in the Vancouver post office?

Hon. Eric W. Kierans (Postmaster General): In Vancouver, as in many other post offices, we have to take account of our own permanent employees and provide them with new positions first. I was not aware that 600 people had filed successful applications, but given the present employment situation in the Post Office and the fact that we have to find employment for approximately 2,000 of our own people it will be some time before we engage any new or additional help.

Mr. Rose: A supplementary question. The minister indicated to the house the other night that the casual workers would be gradually phased in as regular employees by April 1. Does he still feel that if some of the 600 successful applicants were casuals he will meet the April 1 deadline that he suggested?

Mr. Speaker: Order. I suggest that this is debate.

Inquiries of the Ministry

TENDERS TO REPLACE ROD SERVICE

Mr. Robert Simpson (Churchill): Mr. Speaker, the Postmaster General indicated that Rod Service were withdrawing their operation and that the government was presently negotiating with another company. Can he tell the house whether these services were put out to tender?

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, we have simply indicated that we will be quite happy if some other private entrepreneurs or cartage companies are interested. Approximately three firms are looking at the matter, but how many will come forward with firm propositions we do not yet know. They would of course have to be satisfactory to Treasury Board as well as to the Post Office Department.

[*Translation*]

EXTERNAL AID

VIET NAM—HOUSING PROGRAM FOR REFUGEES

Mr. Roland Godin (Portneuf): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs.

Is it true that the Canadian government intends to contribute to the financing of a housing project for Vietnamese refugees and, if so, how much and under what conditions?

Mr. Speaker: I suggest to the hon. member that this question could be placed on the order paper.

INDUSTRY

TEXTILES—STUDY AS TO PROFITABILITY

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce.

On March 12, the minister announced in the house that a study was in progress to establish the economic possibilities of the Canadian textile industry. Is he now in a position to say when he expects to report on it in the house?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): No, Mr. Speaker. The project is likely to be carried out before the end of the year. I am seeing to it that it is completed as soon as possible.

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

[Mr. Speaker.]

Would the minister tell us if representatives of the Canadian manufacturers and workers have been invited to participate in that study?

Mr. Pepin: They shall be, Mr. Speaker.

[*English*]

CANADIAN BROADCASTING CORPORATION

ARTEC—ANNOUNCEMENT AS TO SIGNING OF COLLECTIVE AGREEMENT

Mr. Paul M. Gervais (Sherbrooke): Mr. Speaker, my question is directed to the Minister of Labour—

[*Translation*]

Some hon. Members: In French.

Mr. Gervais: All right, I will speak in French. I do not mind.

Could the Minister of Labour tell the house whether there are recent developments concerning the difficulties with the C.B.C.?

Hon. Bryce S. Mackasey (Minister of Labour): Yes, Mr. Speaker. I am pleased to tell the house that ARTEC and the C.B.C. signed this morning a collective agreement, in order to settle the problem.

[*English*]

"AIR OF DEATH"—COMPETENCE OF C.R.T.C. TO ADJUDICATE

Hon. W. G. Dinsdale (Brandon-Souris): My question is for the Secretary of State but in his absence perhaps it could be answered or taken as notice by the acting minister or the parliamentary secretary.

With regard to the Canadian Radio-Television Commission hearing into the Canadian Broadcasting Corporation program "Air of Death" and the allegation by counsel for the C.B.C. that only the courts and not the C.R.T.C. have the power in law to adjudicate questions of this kind, has the government sought an opinion from the law officers of the crown respecting the legal competence of the C.R.T.C. in such matters, and has such an opinion been given?

Mr. Robert Stanbury (Parliamentary Secretary to Secretary of State): Mr. Speaker, I know of no opinion being sought by the government but I am sure that such an opinion would be sought by the commission itself. I shall be glad to inquire from the commission on that subject.

Mr. Dinsdale: A supplementary question, Mr. Speaker. In connection with the "Air of

Death" program, will the parliamentary secretary ascertain and report to the house on what action was taken internally by the C.B.C. management following the report of the royal commission appointed by the Ontario government?

Mr. Stanbury: Mr. Speaker, the hon. member will recall that the C.B.C. president appeared before the Standing Committee on Broadcasting, Films and Assistance to the Arts and was questioned on this subject. He will be appearing again when the estimates of the C.B.C. are once more under consideration by the committee, and I am sure he will be glad to answer any such question at that time.

Mr. Dinsdale: A further supplementary question. In view of the hearing that is currently being held, would the parliamentary secretary not agree that it would be advisable to report directly to the house?

Mr. Speaker: Order; that is argument.

COMBINES

MERGERS, TAKE-OVERS AND CONGLOMERATES IN ONTARIO

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to direct a question to the Minister of Consumer and Corporate Affairs, who has just come out from behind the curtains, where I am sure he went because he was feeling a little neglected.

Is the minister aware of any action being taken by the government of Ontario to look into the question of company mergers and take-overs in the province? If so, what action does the minister propose to take under the Combines Investigation Act, which clearly has jurisdiction over this matter?

Mr. Speaker: Order. I am not sure that this is a question of urgency; I think it is the type of question that could be placed on the order paper.

Mr. McGrath: Then may I rephrase my question, with respect, Mr. Speaker. Reports emanating from Toronto this morning indicate that the government of Ontario has asked its Securities Commission to look into this subject. Has the minister been advised of this, because clearly it is a matter that is under the jurisdiction of the Combines Investigation Act? If so, what action is the minister contemplating?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I have not been advised that the Ontario government has asked the Ontario Securities Commission to look into the question of conglomerates, but I would think they are perfectly entitled to do so, as the matter does affect securities administration. I would welcome a study because this is a matter of great public interest, and the more study the subject receives, the better. I would remind the house that the question of competition policy is before the Economic Council for report, and I expect to receive it in due course. I would think that the Council itself would take a look at this question.

COMMONWEALTH CONFERENCE

INVITATION TO HOLD NEXT MEETINGS IN CANADA

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to direct my question to the Secretary of State for External Affairs. Would he advise the house whether or not Canada has invited the Commonwealth Prime Ministers to hold their meeting in Canada?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, there is no necessity for making a decision at the present time.

Mr. Hales: A supplementary question. I asked this question one month ago, on February 19, and at that time the minister gave the same answer. Surely a decision must be made—

Mr. Speaker: Order. Perhaps the question should be placed on the order paper; in that way the hon. member may have better success.

RESEARCH

AUSTERITY MEASURES IN ANIMALS PROGRAM

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. In view of the statement that appeared in a leading newspaper to the effect that Canada's reputation in animal research, and even the health of scientists engaged in that field, has been put in jeopardy by the government's austerity measures, would the minister of health and welfare state what measures are now being taken to correct this terrible situation?

Mr. Speaker: Order. I suggest to the hon. member that he is inviting the minister to give the kind of information which in my view should be given by way of a statement on motions.

Inquiries of the Ministry

FINANCE

BLACKLISTINGS BY U.S. SECURITIES COMMISSION

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct my question to the Minister of Consumer and Corporate Affairs. Has the attention of the minister been drawn to the fact that Canada is now at the top of the blacklist of the securities commission in the United States? If his attention has been drawn to this fact, would he indicate to the house what measures he intends to take to restore Canada's good name?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the report the hon. member refers to has not been brought to my attention but I will see that it is immediately. It is in order to maintain and protect Canada's international reputation that both the government and I are anxious to make progress in the establishment of some form of national securities administration.

[*Later:*]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): A moment ago in answer to the hon. member for Waterloo reference was made to a statement issued by the S.E.C. I have now had an opportunity to review that statement and I think I should place on record that this is a report from the *Financial Post* of March 8 which refers to 19 Canadian companies. It should not be taken as reflecting upon or in any way affecting the generally good reputation enjoyed by Canadian companies in foreign markets.

OFFICIAL LANGUAGES

HOUSE PROCEDURE ON LEGISLATION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to address a question to the President of the Privy Council in his role as house leader. Is it the intention of the government to bring forward the official languages bill before we adjourn for the Easter recess, or is it the government's plan to shelve it until after the by-election, as demanded by the Liberal organizers in British Columbia?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the hon. member may recall that as a result of the federal-provincial conference my colleague the Minister of Justice agreed to consult with the western premiers regarding this bill in order to bring forward certain amendments, if thought necessary. I think we should act in conformity with that request. Therefore I am not expecting that the bill will be before the house by next week.

Perhaps while I am on my feet I could make the statement of business for the coming week, Mr. Speaker.

Mr. Speaker: Order, please. Before the hon. minister does this, the Chair might be given an opportunity to recognize two or three members who are particularly anxious to ask a question.

TRADE

ONIONS—SHIPMENT TO U.K. FROM MONTREAL

Mr. H. W. Danforth (Kent-Essex): Thank you, Mr. Speaker. I should like to direct my question to the Minister of Industry, Trade and Commerce. Has the minister taken any action to facilitate the shipment of the 5,000 or 6,000 tons of Ontario onions to the United Kingdom from the port of Montreal, as requested by the industry, to enable the complete fulfilment of this very necessary sale?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): My department has been involved in that, but if I am not mistaken the Minister of Labour took responsibility to help. I will report on the matter tomorrow anyway.

NATIONAL DEFENCE

TALKS ABOUT A.B.M. SYSTEM WITH CONGRESSIONAL LEADERS

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct a question to the Prime Minister relative to his trip to Washington? In view of his remarks yesterday regarding the A.B.M. system, indicating that he had not yet made up his mind he wished to deal with the matter, could he advise the house whether he will be seeing people in Washington other than the President concerning this matter? If so, will he in particular be seeing congressional leaders to discuss this matter?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the invitation is by the President of the United States, and that is the object of my travelling to Washington. During my stay there I hope to have informal meetings with other leaders and other people in Washington, but they will not be business meetings.

[*Translation*]

DOMINION-PROVINCIAL RELATIONS

HUDSON BAY—AGREEMENT AS TO UNDERWATER RESOURCES

Mr. André Fortin (Lotbinière): Mr. Speaker, my question is for the Prime Minister.

Does the government intend to approve the agreement concluded some time ago by Ontario, Manitoba and Quebec on dividing lines regarding the underwater resources of Hudson Bay?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the dividing line of those provinces on Hudson Bay has already been defined by a constitutional statute. The line follows the coast of the provinces and there has been no change. The provinces cannot on their own initiative amend the constitutional declaration.

Mr. Fortin: I have a supplementary question, Mr. Speaker.

Since the federal government has not yet endorsed the agreement between those three provinces, does it intend to do so?

Mr. Trudeau: Mr. Speaker, perhaps my answer was too complex. The answer is positively no. The dividing lines have been established and we shall never agree to such a unilateral redefinition by the provinces.

[*English*]

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, if I could make the weekly statement of business for the period March 20 to 28 inclusive. As hon. members know, the business for today will be item 57, the government reorganization bill. We hope to complete the committee of the whole stage and also obtain third reading.

Tomorrow, Friday, March 21, the first item to be called will be the superannuation amendment bill for the report stage and third reading. This will be followed by item 56, the bill to amend the Financial Administration Act for report stage and third reading. Next Monday, March 24, we will call as the first item of business item 62, the Maritime Freight Rates Act legislation, which we hope, with the leave of the house, to carry through all stages on that day. As the second item on Monday, time permitting, we will call item 23 with regard to the Canadian Overseas Telecommunications Corporation for the report stage and third reading. As the third item on that day, item 53, the bill with regard to Co-operative Credit Associations for report stage and third reading. The fourth item that day will be item 13, the drug prices bill, at the report stage.

Tuesday, March 25 and Wednesday, March 26 will be opposition allotted days. At the end of the allotted day in this period, a motion will be made for interim supply for the period April 1 to June 30.

On Thursday, March 27, we will call as the first item of business Bill S-15, the amendment to the Food and Drugs Act, for second reading. We will then call item 13, the drug prices bill. On Friday, March 28, we will again call the drug prices bill as the first item. This will be followed by item 52, the amendment to the act to deal with hazardous products, which at the moment is at the report stage.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION

AUTHORIZATION FOR THE ESTABLISHMENT OF A DEPARTMENT OF FISHERIES AND FORESTRY, AND OTHER NEW DEPARTMENTS

The house resumed from Wednesday, March 19, consideration in committee of Bill C-173, respecting the organization of the government of Canada and matters relating or incidental thereto—Mr. Trudeau—Mr. Faulkner in the chair.

The Chairman: House again in committee of the whole on Bill C-173. The committee will begin consideration of clause 20.

On clause 20—*Definitions.*

• (3:00 p.m.)

Mr. Marchand (Langelier): Mr. Chairman, I am very pleased to have the opportunity to speak briefly today. To me and to people in disadvantaged areas in Canada, this is a very important occasion. The bill now before this house will, among other important measures, establish the new department of regional economic expansion, and give new emphasis to the government's commitment to reduce the economic disparities which exist between different regions of Canada. There are, I know, differences in detail among those of us

who sit in various parts of the house. However, I think there will be general agreement when I say that the ideal toward which we must work is to ensure that Canadians have good opportunities to earn their living at roughly comparable standards wherever they live from sea to sea.

Canada as a nation can no longer live with the extremes of inequality which some people now must face simply because they are citizens of one part of Canada rather than another. Indeed, we cannot make the unity and identity of Canada secure unless we can remove the large disparities in the conditions of life in the regions of our country.

The recent constitutional conference recognized this point and clearly confirmed the importance which the federal government and the provincial governments attach to the objective of equality of opportunities for Canadians everywhere. The job of the new department, therefore, must be to get down to the roots of the problems which have produced the existing disparities between regions of Canada and help make the basic economic and social changes needed to create new employment and earning opportunities, and to make those opportunities available to the people who need them.

To put it another way, the department's goal will be to ensure that economic growth is dispersed widely enough across Canada to bring employment and earnings opportunities in the hitherto slow growth regions as close as possible to those in the rest of the country. Everyone knows that this is a difficult objective to attain. We have had a variety of programs operating independently, with too little co-ordination between them. This approach has obviously not worked. It may have stopped the gaps between regions from widening but it has not narrowed them.

This legislation will, therefore, firmly charge the new department, and myself as its first minister, with the central responsibility for federal regional development programs. This is the only way to secure the co-ordination of federal effort which is essential to the achievement of the most effective results.

With co-ordination we must have flexibility. The particular needs differ for different areas. The new department must be able to take a flexible approach, to look at the problems of an area or a region of Canada and to take action specifically designed to overcome those problems and to create new and self-sustaining expansion.

[Mr. Marchand (Langelier).]

The organization legislation, of course, merely establishes the structure. The important thing is that it is a structure which will enable us to take this kind of a new approach.

[*Translation*]

This bill, Mr. Chairman, provides for the establishment of special areas when employment opportunities are very limited in the region itself or in the territory of which that region is a part.

This will promote assistance to the growth centres where economic expansion can be realized for the greatest benefit of the whole region. Up until now, those centres have often been left out of the federal aid programs.

The global planning concept contained in FRED will be extended to regions other than rural ones and will become one of the principal instruments capable of promoting economic growth.

The department—at least in the initial stage of its operations—will give priority to industrial development projects intended primarily for growth centres. However, we aim at the same time to focus our attention on social rehabilitation measures intended for rural regions.

The department will set up development plans for special areas in cooperation with other departments and will use, wherever possible, the services and facilities of such departments.

The department will coordinate federal activities to implement development programs and to carry out these portions of the programs which other departments are unable to undertake.

Although it should not necessarily be specified in the bill, one of the first responsibilities of the department will be the creation, at the official level, of the interdepartmental structure needed for efficient coordination.

Rural development must be accomplished through a federal-provincial process, because it comprises a wide range of activities involving both levels of government. The act therefore insists on the co-operation with the provinces and the participation of local groups in the drawing up and implementation of development programs for special areas. In order to better ensure that co-operation with the provinces, I intend to move, during the debate, an amendment to clause 26 (1) so that this co-operation might become a reality.

The department will enter into agreements with the provinces for the joint implementation of the programs, including sharing of the costs incurred by the provinces to carry them out. All departmental programs will be implemented in close co-operation with the provinces, even when federal-provincial agreements are not required.

The department will be able to grant subsidies or loans to a province to help establish, expand or modernize the infrastructures required for the economic expansion of a special area, when such works are essential to the achievement of a development program. The greatest impact of these measures will be felt in the industrial centres east of Trois-Rivières.

The department will be able to provide various types of special aid, such as loans, subsidies of loan guarantees, to encourage commercial concerns to settle, expand or modernize their plants in a special area, if this is indicated for the success of a certain development program

This special assistance is a reserve measure that will apply only in those cases where the help extended to industry by the department through its main incentive programs is not sufficient to enable a particular concern to overcome the difficulties inherent in its situation in a special area.

The Area Development Incentive Act will continue to be the main instrument used by the department to encourage industrial expansion in disadvantaged areas.

Important changes to that act, to increase the efficiency of the incentives, will be announced soon, after consultations have been held with the provinces.

Mr. Chairman, before bringing these preliminary remarks to a close, I am pleased to announce to the house that professor William Smith—

[*English*]

Professor W. Y. Smith, head of the department of economics and political science at the University of New Brunswick, has agreed to act as the council's first chairman. He is a man who is very well known in the Maritimes. I think I consulted with all the premiers, unofficially of course, and they agreed that Mr. Smith is really the kind of man we need at this time to fill the kind of job that is open with the council.

That is all I want to say at the moment, Mr. Chairman. As I mentioned in French I intend to propose a small amendment to clause 26(1) in order to ensure that co-operation with the provinces will be of assistance all along. I am sure that hon. members after discussion will agree, if not necessarily on the policies of regional development, at least on the structure of this new department. The first thing we have to do is establish the department before we indicate to the house exactly what we intend to do.

Mr. Aiken: Could the minister outline the nature of his amendment so that we can be considering it while the debate takes place?

Mr. Marchand (Langelier): I have no objection to that. After the words "the minister may" in clause 26(1) we intend to add the words "in co-operation with any province." This will provide that we have to co-operate with a province at that stage of the formulation of a plan.

• (3:10 p.m.)

Mr. Peters: In referring to the council was the minister referring to the new council or to the Atlantic Development Board?

Mr. Marchand (Langelier): It is the council which is to be created by this bill, the new Atlantic Development Council which will replace the Atlantic Development Board.

Mr. Gundlock: Mr. Chairman, may I ask the minister how northern development fits into this program?

Mr. Marchand (Langelier): These are two different departments. Northern development comes under the Department of Indian Affairs and Northern Development. It is separate from an administrative point of view.

Mr. Gundlock: The minister mentioned all parts of Canada so I wanted to have that made clear. They are completely separate.

Mr. Marchand (Langelier): I do not say that the northern part of Canada is outside the jurisdiction of the federal government, but I do say that the Department of Indian Affairs and Northern Development is responsible for the northern part of Canada. It is not covered by my department.

Mr. Stanfield: Mr. Chairman, it is not my intention to go over once again the ground I covered on second reading of the bill. I expressed at that time a number of sources of concern with regard to the bill as conceived and the apparent intentions of the minister. I am a little disappointed that the minister did

not touch upon the points that were raised then, but perhaps this will be done in the course of the debate. I called attention particularly to the dangers involved in the wide discretion provided to the minister and the Governor in Council concerning the definition of areas which may be prescribed as special areas for this purpose. I also called attention to the dangers involved in the wide discretion given the minister with regard to the type of industry which can be aided and the form of aid to be granted. I emphasized the importance of as much certainty as possible being created as soon as possible so that everyone will know where they fit. I also called attention to what we consider to be the unnecessary degree of centralization involved in the concept of administration in this bill.

I deplored the abolition of the Atlantic Development Board as an administrative and co-ordinating agency and suggested that agencies comparable with the Atlantic Development Board should be considered and discussed with provinces such as the province of Quebec in relation to the great area east of Trois-Rivières which is of such concern to the minister and quite properly so. I do not propose to go over that ground again at this time except to emphasize the seriousness of these concerns with regard to the bill.

I do want to return, however, to the theme of the importance of co-ordination if any effective and adequate change is to be made in respect of regional disparity in any part of the country. I am referring to co-ordination with the provincial administrations concerned. It is clear that the efforts of the minister might very well be at cross-purposes with the aims of the government of whatever province might be concerned. It is particularly important that there be the fullest possible co-ordination among all departments of the federal government because the minister will have under his direction a relatively small number of federal governmental activities that are involved in any question of economic development and must therefore be regarded as playing a very important role in regional development.

We have had a very striking example of the importance of this point since the bill was before the house on second reading. I mentioned then the important role all departments play, for example, the Department of Finance. Within the last couple of days we had a striking example of the importance of the policies of that department and an important example of the general financial policies of the government of Canada with regard to the economic development of a province.

[Mr. Stanfield.]

I am referring particularly to the province of New Brunswick and the budget which the provincial treasurer felt it necessary to bring down not for the purpose of financing any new services within that province, not, indeed, for the purpose of financing existing services on the scale that the government of that province had hoped to undertake in important areas as part of its declared policies, but merely for the purpose of trying to make ends meet. That province has had to cut back to the fullest extent possible and has found it necessary to institute tax increases involving a 10 per cent surcharge on income tax and a substantial increase in sales tax, not only the general sales tax but the special sales taxes relating to gasoline, liquor, cigarettes and so on. I emphasize that this is not for the purpose of new services but is for existing services. Of course the cost of education in that province would be an important aspect. I mention this point in connection with this bill because of the emphasis authorities on the subject of regional economic development have placed upon the importance of adequate government services relating to economic growth such as education, transportation, including highways, and public health services.

I should like to remind the committee of what the Economic Council of Canada had to say on this subject in its second annual review in 1965 when it called attention to the very striking disparity in the standard of growth-producing services in the various provinces of Canada. It pointed out the following:

> Although there is some evidence of an uneven regional incidence of federal government expenditure, on the whole, federally provided services undoubtedly moderate interregional income disparity.
>
> A distinctly different situation applies at the level of provincial and municipal governments. Not only are there obvious differences in service requirements, but there are also important variations in the areas and degrees of responsibility assigned to the public sector. More fundamental, however, are the disparities in regional wealth and income which form the primary basis for the support of regional services. The obvious consequence is a wide range of variation in per capita expenditures at the provincial-municipal level and commensurate disparity among the various regions in the scope and standards of the public services provided at this level.
>
> Interregional variations in the scope and standards of the public services are not only important because of their implications for interregional disparities in community income. They also bear directly upon the issue of regionally balanced

economic growth. Although it is difficult to draw a clear line between the consumption and investment elements of public spending, particularly in the case of services to people, it is now recognized that a significant proportion of public outlays may be looked upon as investment related to long-term economic growth. This applies particularly to expenditures concerned with the extension and development of human and physical capital, the provision of services to assist private production, and the general advance of knowledge.

The report goes on to emphasize the importance of bringing up to an adequate level the growth relating to public services in the Atlantic provinces, for example, in the areas of education, transportation and public health particularly. In the following year, 1966, the Economic Council returned to this theme and stated in its report at page 258:

• (3:20 p.m.)

Notwithstanding the prolonged and substantial economic expansion across the whole country, a significant gap has persisted between the Atlantic area particularly and the rest of the country in provision for those public services most closely related to long-term growth. It is especially disturbing that disparities among the provinces in per capita expenditures on education have tended to widen, rather than contract, over the recent period.

The point I am making is not really peculiar to the Atlantic provinces, although it may be of particular significance there. It is also very significant in provinces such as Quebec in respect of its efforts to increase the incomes of the people in the area east of Trois-Rivières.

There can be no question about the importance of provincial services in relation to growth. There is no question either about the degree of disparity that now exists in respect of the level of health, education and transportation services, to mention three. One must ask very seriously how far the minister and his department will get in attempting to raise the level of incomes and opportunities for the people in these disadvantaged areas if the local level of growth related services such as education, transportation and so on remains substantially below the national average. How much success is the minister likely to have in creating dynamic centres of growth under these conditions of relatively inferior growth related services which are also associated with higher taxes?

We know, for example, that in the province of New Brunswick there is not only a discouraging picture but rather extraordinarily high taxes associated with a standard of growth related services well below the national average. This is a discouraging situation for people who need growth if they are to succeed in lifting themselves by their bootstraps or responding successfully and effectively to the minister's policy and attempt to enable them to help themselves.

What disturbs me is the apparent failure of the minister's colleagues in the cabinet to recognize the significance of this matter. The Minister of Finance rose in his place the other night and contented himself with boasting about how much the government of Canada was doing by way of transfer payments. He did this on the eve of the day the provincial treasurer of New Brunswick felt it necessary to bring down a serious budget involving substantial tax increases for the people of that province. Perhaps it was coincidental but it indicated to me how unaware the Minister of Finance appears to be of the importance of the fiscal policy of his department to the work the minister is trying to do by way of regional development. I am afraid it is an indication of what I referred to as the possible tendency on the part of other ministers to "let Jean do it" and not accept their own responsibilities. It seems to me we have also had, and this is something the minister tried to explain to the committee, a striking degree of cynicism toward the province of Prince Edward Island. Let me say briefly what I have in mind.

Having regard to the cancellation of the causeway, this is a matter in respect of which the government ought at least to have taken the trouble to present the facts to the house and the people of that province. If the facts are as the government says they are, that the cost-benefit studies show that an adequate service can be provided more economically by ferry, the government should lay those facts before the house and the people of that province. I know of no better way to alienate the people of a whole province, in this case a small one, from the rest of Canada and from Ottawa than by simply announcing the cancellation of what was a solemn promise without the slightest effort on the part of the government to explain why it was necessary or to give the figures and convince the people that the government was right in its decision. This seems to me to have been a highly cynical step on the part of the government which is likely to produce a great degree of cynicism on the part of the people of Prince Edward Island.

The government substituted for the causeway project a new regional development

agreement. As I understand it, the government of Canada is undertaking to make available some $225 million over a 15-year period as a federal contribution to a $700 million economic development program. Some of us have a little trouble figuring out just how Prince Edward Island is going to produce the balance of approximately $500 million. We have difficulty in understanding how that government is going to produce approximately $2 for every $1 the government of Canada puts into the plan. Under these circumstances we may be excused for being a little sceptical about this venture which is more or less coincidental with the launching of this new department.

The minister should give us some satisfactory explanation or factual information about the cost-benefit studies in respect of the causeway versus ferries. I think we should have some explanation as to how the province of Prince Edward Island can proceed effectively with this development program when it has to find $2 for every $1 put up by the federal government.

The government of Canada must recognize the importance of and face honestly the budgetary problems of the provinces, particularly those faced with serious regional economic disparity, and I have in mind the province of Quebec and the eastern provinces. The government of Canada must honestly recognize that unless these provinces are able to provide an adequate standard of growth related services as conceived by the Economic Council of Canada, the minister is likely to have little success in making substantial progress in reducing economic disparity. I say this as plainly and bluntly to the minister as I can.

I am disturbed that other ministers, including the Minister of Finance and the minister in charge of the Treasury Board, take the attitude that by setting up this new department and putting so much in its budget we will take care of regional development, and that the government as a whole will not then have to continue to be conscious of its responsibility and will not have to act in respect of the problem I have outlined this afternoon. It is clear from the budget of the province of New Brunswick that the government of Canada must act quickly in this matter unless it is prepared to sit back and see the morale of the people of that province completely destroyed, to see its people completely submerged by their difficulty in providing services while paying possibly the highest taxes in the country out of their inadequate incomes. As I have said, the government must act quickly in this regard.

[Mr. Stanfield.]

• (3:30 p.m.)

I hope that the attitude expressed by the Minister of Finance the other night does not really represent the attitude of the government. I hope that what appears to be a rather cynical attitude displayed so far toward the little province of Prince Edward Island does not really reflect the determination of the government to deal with this problem.

The minister announced this afternoon the appointment of Professor Bill Smith to the Atlantic Development Council. There is no question that he is an excellent man, well informed on this subject. I have heard rumours, quite frankly, of another excellent appointment the minister has in mind. These men, even if they are associated with others, cannot accomplish very much unless they are operating in a proper framework, unless they are operating under properly conceived plans, unless they are operating with proper financial support. This support must involve facing honestly the kind of problems the government of New Brunswick had to face the other night. If the situation continues as it has, I say again that the minister will have little success in doing very much in those areas.

The government of Canada must face up to its total responsibility. There is no sign of it doing so yet despite what I am sure is the very sincere intention of the minister who spoke just a few moments ago.

Mr. Broadbent: Mr. Chairman, fortunately the few remarks the minister made at the beginning of the debate this afternoon do not require any change in the text of the speech I have prepared. Perhaps in his remarks later today or possibly tomorrow the minister will suggest different orientations in the development programs of his department such as some of us would expect. If so, some of my criticisms may turn out to be irrelevant. I hope this is the case.

The problem of regional economic disparities in Canada is scarcely a new one. It has been with us throughout our history. What is comparatively new is the statistical documentation of these persisting disparities. Since the end of the 1920's, when the first statistical studies were made, we have seen that the growth of the Canadian economy as a whole has not in any way reduced the gap in wealth which exists between provinces and regions within provinces.

The most striking feature of regional economic comparisons throughout Canadian history is the substantial difference in per capita income between the highest and lowest provinces. In the most recent period for which meaningful statistics are available, 1962-64, personal income per capita was $2,025 in Ontario, $1,521 in Quebec, $1,302 in Nova Scotia, $1,167 in New Brunswick, $1,115 in Prince Edward Island and $1,007 in Newfoundland.

As one would expect—it does not necessarily follow, of course, but normally on an empirical basis one discusses this kind of correlation—we also have substantial differences in employment levels across the country. The Atlantic provinces in particular, as the Leader of the Opposition has pointed out today and hon. members have mentioned a number of times in other debates this session, have suffered from much heavier unemployment than the country as a whole. This has been going on for a 20-year period. For example, in the 1956-60 period average unemployment in the Atlantic provinces was nearly 10 per cent of the labour force, in contrast with my own province of Ontario which averaged 4 per cent. Even today when unemployment is again becoming a major problem across the whole country, the rate is 10.1 per cent in the Atlantic provinces, 8.4 per cent in Quebec and a comparatively low—comparatively only—3.8 per cent in Ontario and 4 per cent in the prairie provinces.

What these persisting inequalities mean, of course, is that it matters a great deal where a Canadian child is born. To spend one's childhood in a richer area means to have better schools, employed parents with a sense of self-respect, adequate housing and the opportunity to pursue a variety of occupations. To grow up in a poorer region, in contrast, is to lack these advantages either completely or relatively to the rest of Canada. In many cases one might just as well grow up in an underdeveloped country. In short, the opportunity for self-realization in Canada is determined to a considerable extent not only by the parents one is blessed with but also the region of the country in which one is born.

Apart from this unfairness to individuals there are inevitable economic consequences affecting the community as a whole. An uneducated or badly educated child cannot make the contribution to his community that an educated one can. The effect of this on the already relatively poor region is that available material resources cannot be developed. The Canadian economy then operates well below its full capacity and hundreds of millions of dollars worth of productivity are lost every year. Underdeveloped regions are caught in a vicious cycle in which low income and unemployment, low capital accumulation and low productivity, lead to lower educational attainment, inadequate health and welfare services and emigration of the skilled and the young to areas where employment opportunities are better. Regional poverty, in short, reproduces itself ad infinitum.

Since confederation Canadians have believed that only by acting together in a united country can we establish equal opportunities for self-development for all our people. But persisting economic disparities, becoming more widely known with each year and, of course, with each report of the Economic Council of Canada, are causing increasing numbers to question the desirability of the Canadian union. Unless some significant changes take place in the years ahead we will witness the emergence of new, serious and justifiable threats to confederation.

I would like to say something briefly about past government programs. One of the principal reasons for the persistence of economic disparities is that in the past neither Liberal nor Conservative governments have been able to provide policies which would foster the economic growth of underdeveloped regions. The Minister of Forestry and Rural Development recently admitted that while over $1 billion had been spent in recent years on programs intended to overcome regional disparities, over half of this money has been a complete waste. We have witnessed a proliferation of programs, all well intended but nevertheless ineffective. This is the minister's own judgment.

• (3:40 p.m.)

We have had programs to build roads to resources, to develop transportation facilities, to retrain manpower, to give area industrial grants and incentives, and to provide rural adjustment and relocation of the victims of technological change. But still the same regional inequalities exist. These policies of previous Conservative and Liberal governments have lacked the over-all direction and cohesiveness that alone could render them effective, especially the allocation of substantial resources.

We have had ARDA programs and FRED programs. We have had ADA, A.D.B. and DEVCO. Some of these projects have involved co-operation with the provinces and some have not. Some have concentrated on

areas of growth potential and others have simply used high levels of unemployment as the criterion of eligibility. I am pleased to see that the government is finally moving away from this outmoded approach. Most of the projects have been completely unconcerned with the social consequences of significant economic change in areas unaccustomed to it. Most have failed to consider the importance of personal involvement in the planning and execution of programs on the part of those who will be affected by them.

Now I should like to say a few words about the new department. The New Democratic Party has recommended for a number of years now that this unco-ordinated effort I have just described to overcome regional economic disparities could be remedied only by creating a department which has this goal as its sole objective. For this reason we welcome the new Department of Regional Economic Expansion.

However, what is also needed is the establishment of a national plan which sets down national objectives and priorities. The government has not established such objectives into which regional growth and development programs could be fitted, with appropriate adjustments made for the allocation of funds. The result of this will be the continuation of programs frequently with conflicting goals carried out by a number of competing agencies. There will be little or no indication of how the system is supposed to work, and how one region is related to another in the national context or what should be the timing of specific steps. The only difference from the past will be that this will now go on within one department instead of many.

The following example will reflect the almost impossible task of a federal minister concerned with regional economic development who is forced to work without objectives and priorities agreed upon by parliament and by cabinet. The minister has to be the spokesman in cabinet and in parliament for all the lagging regions of Canada, not only on a provincial basis but also on an area basis. His views and judgment, and the advice of his officials, bear on most of the economic policies pursued by the Canadian government. This is because many government decisions have significant regional or area implications, whether it is a decision to pay subsidies to farmers or fishermen, to assist the C.N.R. to build a railway spur to open up a northern mining area, to offer financial assistance for a power grid for the maritime provinces, or to approve an urban renewal project in Quebec city.

The prime responsibility to deal with such matters, however, rests with the appropriate department or government agency responsible for finance, agriculture, fisheries, northern development, mining, or housing, all of which report to their respective ministers. The officials of these departments and agencies would not look too kindly on officers of the Department of Regional Economic Expansion telling them what they should or should not be doing, nor would the ministers of these departments be too happy to be told by the Minister of Regional Economic Expansion what their policy should be in areas of their responsibility.

It is true that some of the difficulties and irritations may be reduced through consultation both at the ministerial and departmental levels through those traditional delaying techniques of referring controversial issues to committees. But in the end somebody has to make a decision, and if the decision is made by the minister responsible the Minister of Regional Economic Expansion may disagree, and vice-versa.

When such difficulties arise they are usually resolved by a dictum of the Prime Minister or as a result of an understanding reached by the cabinet as a whole. But government decisions affecting regional economic development are so numerous and the possibility of conflict on specific programs or policies between the Minister of Regional Economic Expansion and his colleagues is so great that the cabinet or even a cabinet committee would be heavily burdened with the task of acting as an arbiter rather than going on with the job of formulating policies, leaving their implementation up to the ministers responsible.

I should like to give a practical example of what in theory appears to me to be a difficulty. Canada Manpower of the Department of Manpower and Immigration has recently arranged for several thousand maritimers, unemployed coal miners and their families in Nova Scotia and New Brunswick, to migrate to Alberta and eastern British Columbia over the next four years. In these two areas there is a labour shortage in the coal mining industry and a need to meet the growing Japanese demand for Canadian coal. Financial assistance is being made available to these recruited miners through the manpower mobility program which is designed to pay moving costs of unemployed workers who cannot find jobs in their own areas but who, because of

their special skills, are offered employment in other regions. However, the program will develop at a modest rate initially because of associated problems of providing adequate housing for these miners in the Alberta and British Columbia mining areas. Conventional approaches to the housing problem cannot be employed as the present mortgage rates make it virtually impossible for the average employed miner to purchase a home.

The above example clearly shows that in the absence of a well defined goal or objective and a national plan agreed to by the cabinet and by parliament, the problem of tackling regional disparities is an immense one for the minister concerned. He is bound to run into all kinds of conflict with his cabinet colleagues which, I suggest, cannot be worked out on a purely ad hoc basis.

I would like now to raise a number of miscellaneous although, I hope, relevent brief points. First, the area development agency which provides incentives to designated areas experiencing low employment and low growth should be scrapped immediately in favour of developing growth potential areas in less developed regions of the country. In other words, the minister should not wait, as he is planning to do, until late in the session to bring in his new industrial incentives act to attract industry into areas of potential high growth.

Second, it is obvious from the bill that the minister will have substantial discretionary power, to which the Leader of the Opposition has referred and on which I would like to comment briefly. The minister will have substantial discretionary power which will enable him to pick the areas which should be helped by federal incentive programs. In addition, he will be able to extend loans and grants to industries and firms that he chooses. Consultation with the provinces is envisioned, and this is a good thing, but the provinces' agreement is not mandatory and the minister will only need cabinet and not parliamentary approval for his programs. Once again I think this is a good thing. Discretionary power is desirable; it is economically foolish to be boxed in by narrow and inflexible criteria. However, I think it is clear that the discretionary power provided in this bill is much too broad. It leaves open the clear possibility of abuse in the form of political favouritism, or at least accusations of such abuse.

• (3:50 p.m.)

I do not, of course, allude to the personal character of the present minister in any way. The point I am making is that with such broad discretionary powers the temptation is there for any minister to use them for political reasons and, whether or not he does so, an accusation to this effect will no doubt be made from opposition benches from time to time. Certain common criteria of a broad nature can and should be established to avoid such a situation. Specifically they should focus on the potential for economic growth. They should be stipulated in advance and the discretionary power of the minister ought to be exercised within this framework.

The minister indicated in his speech on February 20 to the Quebec Co-operative Federation that he hopes to enlist the help of big business in his new task, and that industrialists will be encouraged by means of guaranteed loans to set up shop in special areas. One of the less fortunate possibilities of this approach is that it might lead to a continuation of the old policies which perpetuated Dosco in Cape Breton instead of the mixing of the public and private use of capital in an imaginative way.

I was recently dismayed, though not entirely surprised, to hear that Dosco was sending $1 million a year to its parent firm in Britain as consultant fees. As taxpayers the Canadian people are in effect channelling this sum across the Atlantic through Dosco to a corporation in Britain. In return for this substantial fee Dosco, I understand, is receiving almost no managerial advice. It may not be a coincidence that since this corporation has been made a public enterprise it has shown a profit of $2.5 million in its first year of operation. So much for at least one kind of private enterprise in comparison with public enterprise.

The Canadian people should be under no illusion that the new department will deal with poverty throughout Canada, though some have already made this mistake. It was made by the Toronto *Star*, for instance, in an editorial which appeared on February 25 lauding the establishment of the department and suggesting that action was at last being taken to abolish poverty in Canada. This, of course, is absurd. The new department will have nothing to do with the substantial problems faced by many poor people who exist in our major urban centres.

The Chairman: I am sorry to interrupt the hon. member but the time allotted to him has

expired. If it is the disposition of the committee that he continue—

Some hon. Members: Agreed.

Mr. Broadbent: Thank you, Mr. Chairman. I shall try to be brief. I was saying that the new department would not really deal with the problem of poverty in the urban centres. In addition, I am convinced that in the foreseeable future it will not be dealing in any meaningful way with the poverty associated with regional economic disparity. I say this because the current estimates provide an increase of only $37 million for the purpose of dealing with economic disparity. This comes to less than the price of a movie ticket for every Canadian; it is the price of 20 popsicles for every Canadian. I suggest this is a disgracefully small figure, scarcely enough to deal with poverty in one small region let alone with the poverty which exists in many regions spread across the country.

I should like to conclude by making two additional proposals. I should be glad to hear the minister's comments on the suggestion now being put forward by a number of economists that it would be desirable to introduce a variable monetary policy in Canada at this time. Is there any good economic reason why we should establish the same interest rates in British Columbia, Ontario and the maritimes? Perhaps the government should give careful consideration to instituting a variable monetary policy in line with the varied economic conditions which exist in this country.

The second suggestion I should like to make concerns community involvement. One of the encouraging aspects of recent ARDA and FRED agreements has been a recognition of the importance of community participation. I think the government is to be commended in this regard. Of course, if people are to play a meaningful role in working out their own fate there are bound to be delays in the planning and decision-making process. However, there can be no doubt that both in personal and economic terms the benefit should be greater. People gain in self-respect, and the economy gains by having men and women personally committed to work projects.

The government should extend this involvement principle beyond ARDA and FRED and make it a central aspect of all its programs aimed at overcoming regional economic differences. Ordinary people all round the world, particularly in the industrially advanced nations, are now challenging all forms of authoritarian paternalism. We should welcome this trend. Indeed, we should foster it. And one of the best places to begin is with our own government programs.

[The Chairman.]

• (4:00 p.m.)

[*Translation*]

Mr. Fortin: Mr. Chairman, first of all, as I have not yet had an opportunity to do so, may I offer my congratulations to the new Minister of Regional Economic Expansion. He has worked towards the establishment of this department and he certainly deserves our admiration.

This is, I believe, a very judicious undertaking. Of course, it will not solve all problems; it is inconceivable, in this day of very complex administrative processes, that all problems can be dealt with at once.

In any event, this will be a useful tool, an essential one for a modern government that wishes to solve the dramatic problem facing Canadians today, that is regional disparity.

Mr. Chairman, Canadians from all parts of the country should share equally in the economic expansion of the nation. One region should not benefit from this at the expense of the others, as was the case under the former concept of regional development. That is the whole problem.

Successive governments, Mr. Chairman, have favoured the economic development of certain well-defined regions, while vast areas, more or less densely populated and generally well-provided with natural resources, were deprived of financial assistance from the government or of participation in regional development programs.

To give one example of particular interest to Quebecers, I shall mention Montreal which for the people of Quebec is a marvelous and extraordinary city with almost unlimited possibilities in international, industrial, commercial and other areas. For the rest of the province, this city is an economic monster that swallows up all the initiatives other regions could possibly undertake. Montreal today represents a menace to the economic growth of central Quebec, of the Gaspé, Abitibi, Quebec City area, etc.

We do not hold it against Montreal. Far from it. The city of Montreal must expand. The economic development of the metropolitan area must be sustained and progressive.

But, Mr. Chairman, the other parts of Quebec must not be forgotten. The Ottawa region—Pontiac-Témiscamingue—could be mentioned as just another example of an area far behind economically, so we can say

that in Quebec there is but one economic, financial and commercial pole formed by the Montreal metropolitan area.

Mr. Chairman, in view of those obvious regional disparities it would do no good to talk nonsense and compare one region to another. When regional comparisons are made, I think all hon. members realize that all is not perfect in Canada.

Suffice it to say that there are very rich provinces and rich provinces which are underdeveloped. Some eastern provinces are in an essentially different situation from the western or central provinces. In short, our country is such that it cannot be considered as a whole. Does it mean that it is impossible to imagine an absolutely homogeneous economy or government investments? On the contrary, Mr. Chairman, we must grant assistance adjusted to the various areas, according to their needs.

It is no longer possible, Mr. Chairman, to have a uniform policy of economic growth throughout Canada. It is inconceivable. Canada is not truly an homogeneous whole and it was a mistake in the past to believe it and to act accordingly, because if we considered Canada as an homogeneous whole, it would be impossible to prevent it from plunging into economic confusion, as it is now in danger of falling into linguistic confusion.

How does Canada look right now, Mr. Chairman? Like a country thoroughly disturbed by a revolution, a quiet one according to some, an economic one according to others. We see a nervous Quebec, puzzled, rich and poor provinces. And today a new department is established, that of Regional Economic Expansion. Even if it cannot be expected to solve every problem, I believe none the less that with the instruments mentioned by the minister in his preliminary remarks it shall certainly be possible to help Canadians provided that before setting up his department or making any grants whatever the minister gets closer to the people and tries to understand their needs instead of sticking to the Establishment, as I am afraid he will, and holding on to an administration more and more alien from the people.

The minister was talking about measures such as social rehabilitation in rural surroundings, an industrial development program, regional development programs, the establishment of an interdepartmental structure through a federal-provincial process. He was also talking of making grants or loans to provinces or municipalities as well as grants or loan guarantees under an industrial incentive program. Such measures, Mr. Chairman, can on the whole benefit regional economic expansion and contribute to the progress of Canada where injustices brought about by regional disparities will disappear.

However, Mr. Chairman, at the present stage of the debate on the establishment of this new department, I have to direct some questions to the minister.

For instance, while he speaks of making grants or loans to the provinces and the municipalities, could the minister explain clearly what the interest rates might be? I wish to remind him that at this stage of the debate, the Ralliement Créditiste is in favour of grants or loans but believes that the aid supplied by the Canadian government to foreign countries should also be available to the Canadian people, since public enterprises are involved.

Mr. Chairman, why should high finance be allowed to make profits on loans from the federal government to the provinces and the municipalities for regional economic expansion? Can the minister state precisely the terms of such loans, so that we may see whether they are the same as the ones supplied to foreign countries?

Mr. Chairman, the Speech from the Throne opening the 28th Parliament started as follows. I quote:

> Across the land there are great expectations of what this Parliament will produce.

Further on, the Speech from the Throne refers also, and I quote, to:

> —a sober awareness of reality.

Now, Mr. Chairman, while establishing that new superdepartment, as the newspapers have called it, the government intends to grapple with regional disparities.

• (4:10 p.m.)

Canada is now going through a monetary crisis which is at the heart of the problem. Economic and social problems inevitably follow, Mr. Chairman. In order to demonstrate that what I am saying is true, I shall merely point out as an example the financing of the public sector.

For a very long time, Liberal or Progressive Conservative governments have adopted a policy of borrowing billions of dollars abroad. Every year, the minister starts on a pilgrimage to foreign countries in order to collect the funds necessary to refloat our economy. Foreign countries willingly make

loans to Canada since the Canadian market is all the same interesting and they know Canada will pay back.

There follows a third consequence: the government does not borrow—we can ascertain the fact—from the Bank of Canada to finance the public sector but rather from foreign countries and from high finance. This is the reason for our economic stagnation and our social unrest.

The economic consequences first reveal that, instead of obtaining money from the Bank of Canada, the government goes deeper and deeper into debt each year through borrowing from foreign countries. For the past hundred years, there has not been one single year in which the financing of the public debt of Canada has shown a decrease. The interests on our national debt and the debt itself have been continually increasing.

As another economic result of this distorted and sick monetary policy which is unadapted to a modern and rich country such as ours, the federal budgets are heavily burdened by an enormous annual reimbursement for loans.

Another consequence yet is the indebtedness incurred by the provincial and municipal governments. As a result of all this, the Minister of Regional Economic Expansion (Mr. Marchand) now would like us to discuss with him this particular problem of regional disparities.

I wish the minister would ponder the reason why some regions are subjected to so much suffering, so many economic inequalities and why there is so much injustice in Canada. It is because the government is not in control of money in this country. This is rather the prerogative of high financial interests and foreign countries.

Mr. Chairman, I do not think this department will solve all the problems. It will only serve as a temporary solution, a buffer solution that will reduce to some extent the external ill effects, without getting at the source which is in the heart of individuals.

Mr. Chairman, as a result of these economic problems attributable to an inadequate monetary control, there are social consequences which include overtaxation contributing to a decrease in the purchasing power of individuals and to an increase in individual indebtedness, poverty, depreciation of social environment, discouragement and unemployment.

Mr. Chairman, the same logic could be applied to the housing problem and to agriculture.

[Mr. Fortin.]

The problems we are facing are the result primarily of the government's policy.

The housing problem is due to a poorly-adapted policy, for example the 11 per cent sales tax, etc. We are presented with a bill designed to solve that problem, and we wish the minister good luck.

But we wish to tell him that we are very uncertain as to the solution of the poverty problem in Canada. We are also uncertain as to whether the regional disparities will be reduced or eliminated, because it is primarily a financial problem. No matter what the ministers say, that is a fact.

The future minister of the new department, in his preliminary remarks, spoke of setting up an inter-departmental structure.

Mr. Chairman, I could make a brief comment on that statement, to the effect that it is an urgent matter and that we are happy the minister has foreseen, in creating this department, a closer coordination between the departments. In fact, we now realize that action within each of them is rather limited, spread out and broken up, which can only bring about poor results.

Mr. Chairman, in his preliminary remarks, the minister spoke of setting up an industrial development program. I have but a few brief comments on that. If we wish to promote the establishment and expansion of industry, in any part of Canada, the first thing to do, to my way of thinking, is to reduce taxation.

Why always try to dodge the problem? Let us deal with the real problem. It does not lie where the minister thinks it does, as the hon. member for Shefford (Mr. Rondeau) said.

According to the third annual review of the Economic Council of Canada, dated November 1966, from 1949 to 1965 indirect taxes increased more per production unit than any other major factor of the gross national product in such a way that today it accounts for about 15 per cent of the gross national product as a whole.

For instance, Mr. Chairman, let us look at the 11 per cent tax on building materials, machinery and equipment. These taxes make for higher consumer prices resulting in lack of purchasing power, and hardship and poverty.

I think, Mr. Chairman, that we should facilitate financing for businesses, and in that respect it seems that the minister is considering some most interesting plans. However, I have a few brief comments to make on this. Savings should be developed by encouraging

taxpayers to save. This is not possible today, as taxes take up even part of what is absolutely necessary to live. Moreover, Mr. Chairman, we should contribute to the development of productivity.

As for the department's proposal to give financial aid, in co-operation with the other departments, it could perhaps bring some hope for a solution, although Mr. Chairman, it would be enough if we did what is necessary to compete with American industries.

Because of our weak domestic market, mass production cannot be successful in Canada, and as a result it is impossible to attain parity of salaries overnight. The unions that demand such parity are doing nothing to ensure a sound Canadian economy.

The Canadian Economic Council claims and I quote:

> If parity of the nominal income was ordered for every Canadian citizen at 10 a.m., it is most likely that the processes of the foreign exchange market would abolish the real parity around 3 p.m.

As for the use of cheap wood species, one could refer to commercial agreements and to the Kennedy Round to prove that even if we want to facilitate the development of Canadian industry and regional expansion, we are exploited by American industry.

The Acting Chairman (Mr. Richard): Order. I am sorry to inform the hon. member that his time has expired. The hon. member for Gatineau.

• (4:20 p.m.)

Mr. Clermont: Mr. Chairman, I would suggest, if the house agrees, that the hon. member for Lotbinière be permitted to complete his speech.

The Acting Chairman (Mr. Richard): Does the house agree?

Some hon. Members: Agreed.

Mr. Fortin: Mr. Chairman, I thank the house for its co-operation. I want also to thank the hon. member for Gatineau (Mr. Clermont) who was kind enough to ask that I be granted a few minutes more to complete my speech. I would like to say that, even if we want to facilitate the development of Canadian industry, we must implement a national policy for Canadian industry in order to check American industry and actually compete with it. In my opinion, that can be one of the important roles of that new department in order to help Canadian industry compete with American industry, which unfortunately stifles Canadian industry and threatens the domestic trade.

Mr. Chairman, in connection with the establishment of that new department, a well-known editorial writer, Mr. Clément Brown, wrote an excellent article that was published on February 19 in *Montréal-Matin* and which I would like to quote. It reads as follows:

> The key to the success of the Department of Regional Economic Expansion will lie in the spirit of its negotiations with the provinces.
>
> Indeed, a rapid perusal of the bill convinces us that the development policy is headed for failure is there is not, at every level and every moment, close co-operation between the federal government and the provinces.

That, Mr. Chairman, is an extremely important point which we cannot stress enough because today, in a federative system, we cannot conceive of a battle against poverty and regional disparities without, first and foremost, a serious agreement reached by the federal and provincial governments in a spirit of co-operation.

That is why, Mr. Chairman, I am anxious to know the terms of the amendment mentioned by the minister during his preliminary remarks. In fact, he said that he would introduce an amendment to clause 26(1) with regard to federal-provincial relations.

I think that this is one of the basic points of this discussion and I am extremely sorry not to have more time available to me to deal with it. Nevertheless the basic principle of regional economic expansion should be very close, very human and very fair co-operation between the provinces and the federal government and it should not be detrimental to the provinces nor a one-way affair. It should be carried out jointly, otherwise these programs will come to nothing and in view of the fact that they will not solve the problem they will simply widen the gap between the provinces and the federal government.

Mr. Chairman, I close with this. We are happy that the minister responsible for the new department is a man we are acquainted with since we know that he is aware of the problems of the people. In view of the fact that he now has the tools which he has longed for for a long time, namely this new Department of Regional Economic Expansion, we hope that he will make good use of it, in a human way, so as to help the Canadian people to get out of the financial and economic stagnation in which they are now.

We also hope that, when the time comes to give subsidies and loans to provinces and

municipalities, in order to eradicate unemployment and economic problems in Canada, the minister will not be afraid to use the Bank of Canada as we do for foreign countries, by offering interesting terms. If it is a good thing for foreigners, we should continue it but we should do the same for our Canadian people, since misery also exists in our rich country, which should not be.

The Acting Chairman (Mr. Richard): Order, please. I would like to remind hon. members that the time allotted for speech is 20 minutes. It can be extended when only a few members wish to speak but in the case of such an important department, when a great number of members have expressed their intention to take the floor, I would ask them to limit their speeches to 20 or 21 minutes.

Mr. Clermont: Mr. Chairman, we are now considering the setting up of the Department of Regional Economic Expansion intended to take care of the economic expansion and social upgrading of areas where there is a need for specific measures in order to bring about opportunities for productive employment and to secure access to it. With this new department, Canada is entering a new phase of regional development, the third phase, in fact. The first one, which followed World War II, saw the equalization payments which for the past twelve years, the last of which will end next March 31, have enabled the four Atlantic provinces to cash in for a little more than $1 billion and the province of Quebec to reap $835 million during the financial years running from 1961-62 to 1967-68.

During the second phase, the federal government established various programs and bodies to cope with special aspects of regional disparities such as regional development assistance programs. The Atlantic Development Board, the ARDA and FRED programs, launched by the Department of Manpower and Immigration, as well as the Cape Breton Development Corporation. These various bodies did not escape criticism but I dare say they have not been idle.

Take, for instance, the Regional Development Assistance program. It has its drawbacks but the fact remains that in May 1967, more than 700 applications for aid had been approved or considered under this program. The total cost exceeded $1.5 billion and jobs had been secured for over 44,000 workers.

As for the ARDA program, the index of the works tells us that from 1962 to 1965, 735 projects were carried out or started for a total of shared costs amounting to $63,626,470 to which the federal government contributed $34,488,198. From 1965 to 1967, 672 projects were started or completed, with shared costs amounting to $130,322,421 and the federal government contributed $56,957,139. For 1967-68, which brings us to May 31, 1968, 317 projects were completed or started with shared costs totalling $71,606,633 and the federal government contributing $30,788,693.

The over-all total shared costs for 1724 projects add up to $265,555,524 with the federal government contributing $122,234,030.

As regards the province of Quebec, with respect to the period I just mentioned, Mr. Chairman, 350 projects were carried out, the total shared costs being $51,342,244 and the federal government's share, $23,432,182.

As for the share of the province of Ontario, an hon. member claimed that it was much larger than that of the province of Quebec whereas during the same period, 114 projects were carried out in Ontario, the shared costs amounting to $60,599,394 and the federal government's share being $25,567,526.

• (4:30 p.m.)

Mr. Chairman, we also know that in 1966, a new scheme was added to ARDA, the FRED program, and up to now five agreements have been signed. The first and second agreements concerned areas in New Brunswick; the third one, a Manitoba area, the fourth was connected with the province of Quebec, and more especially the eastern part of that province and the fifth, signed recently, concerned Prince Edward Island. The over-all purpose of such programs is to promote the economic and social development of the areas concerned. It is sought to reduce the employment, income and productivity disparities existing between the areas where those programs will be carried out and the rest of Canada.

At this stage, Mr. Chairman, I must say that western Quebec—I apologize for dealing now with regional problems—of which I am one of the representatives in this house, got almost nothing out of the ARDA and FRED programs. That area comprises the provincial ridings of Gatineau, Hull, Labelle, Papineau and Pontiac and has a population of about 265,000.

Now the only two development projects I could find for this region in the ARDA list, concern the county of Papineau and a study on the La Rouge valley area.

No doubt we benefited in that area by the alternate land use, and the soil and water conservation program but as far as well-planned projects were concerned, we did not get the full benefit of them. If such schemes were carried out in western Quebec, we could derive great advantages in the planning field, for instance, with a view to attracting new industries, so as to foster the modernization and development of existing ones and provide substantial assistance in order to find customers outside of the area and ensure a well-structured transportation system likely to promote the sale of products and permit access to our tourist centres.

Mr. Chairman, I should like to open a parenthesis at this point to say that western Quebec, the areas of the valley of the Petite Nation river, of the Lièvre river and the Gatineau area are real paradises for the tourists.

We know how important the tourist industry is for Canada.

I believe that industry ranks third or fourth amongst our most important sources of revenue, after the newsprint, the wheat, and the automobile industries.

Those areas have tremendous potential for the tourist industry; they have natural and extremely varied attractions. Tourist centres and relays, camping sites, ski-lifts and snowmobile centres, which is a very popular sport nowadays, and a provincial park have already been developed. In 1966, with the co-operation of the federal government and the province of Quebec, eight provincial parks were developed in that province. In view of the powers entrusted to the minister who will preside over the destiny of that department, I trust that area will be taken into consideration in future plans.

I should also like to make a few remarks at this point on clauses 20 to 40 of Bill C-173 which deals with the establishment of that department.

I see that clause 26 grants the minister the power to enter into agreements with the provinces. The minister mentioned that he intends to amend clause 26(1). If I am not mistaken, he will add after the word "may", the words "in co-operation with the provinces". Indeed, I agree with a 100 per cent cooperation. But what does the word "co-operation" mean? Does it mean the same as it does in the case of ARDA and the FRED programs? Let me quote an excerpt from the act:

> ARDA is a federal act, but the program undertaken by virtue of it, is federal-provincial in character, each province being responsible for drawing up plans and programs, implementing them and paying half the cost.

I ask the minister if that co-operation means, as is the case for the ARDA and FRED programs, that the federal government participation will consist in supplying 50 per cent or more of the funds allocated to those programs and that their administration will be left entirely to the provinces?

I hope that such is not the case, Mr. Chairman, for I also note myself, like the previous speakers, that the bill gives the minister very wide powers.

I also note with pleasure that under the provisions of section 24 and Schedule A the areas now considered as designated will be actually recognized as special areas.

Furthermore, Mr. Chairman, I note from sections 29, 30 and 31 that there shall be a council known as the Atlantic Development Council, the function of which will be to advise the minister on matters to which the duties and powers of the minister extend and in particular to the studies to be made.

I think that this will interest only the Maritimes. Will such a council or agency be established for the other areas of Canada? In fact I note that, in 1966, section 7 of the amendment to the ARDA Act provided for the establishment of an Advisory Council of not more than ten officials, or representatives of agencies, and so on.

We have seen, Mr. Chairman, that an identical section applies to the establishment of the FRED program.

In ending my remarks, Mr. Chairman, I would like to quote from an article by Mr. Roger Champoux which appeared in *La Presse* on February 19 under the heading: "Operation Relief". I quote:

> The undertaking is gigantic and the tool has just been designed!
>
> As a response to the challenge it is facing, the federal government is establishing a super-department responsible for the solution of the country's economic disparities.
>
> At the same time, the government is fulfilling an election promise and this must be said seriously. But, above all, it is a last a concession to those reasonable people who are asking for strong action and ingenious ideas that will remove several Canadian regions from economic stagnation. This is an urgent and dramatic situation.

Here is another excerpt:

A quick glance at the bill intended to establish this new department illustrates one major aspect. It is not a matter of pouring tremendous sums of money into underdeveloped regions; it involves the association of responsible people for the achievement of renewal projects. There will be some money invested, surely, as loans for new industries, for guarantees involving modernization, and in the way of subsidies for specific purposes.

As the new super-department will be granted the highest appropriations among all the other departments, the Canadian government is clearly indicating its serious concern over the economic deterioration of too many areas.

There is a need for balance. Some regions cannot be left to perish and huge tracts of land deplorably eroded and on the verge of being abandoned cannot be left to their own fate. Political quarrels never produce equilibrium. Co-operation is not a humiliating factor and it is the sole successful process.

Mr. Chairman, on concluding my remarks, I wish every success to the minister responsible for this department. Considering his efforts in the past in other departments and agencies, he will contribute to the achievements of this new department.

• (4:40 p.m.)

[*English*]

Mr. MacDonald (Egmont): Mr. Chairman, I rise to participate in this debate with a good deal of interest even though we have had to drag out the substance of the debate off and on over the past few weeks since the bill was introduced in February. I must admit that I continue to be somewhat disappointed that the minister has not been able to shed more light on some of the relevant questions in respect of this important enterprise. I have been amazed that the minister has not been able to give us more information on this bill as a result of the questions we have asked in the last few weeks.

The minister might have shed more light this afternoon on this subject in answer to several questions relating to the substance of the legislation we are supposed to receive later this session in respect of the whole problem of industrial incentives and assistance. Two or three weeks ago I asked the minister when that legislation would be introduced in order that we might examine it in connection with the legislation before us today. He said it could not be introduced yet because it had not been drafted but he would give us some indication of what it involved. He indicated he would inform us of the general framework in order that we might understand it during our examination of this bill. Unless my hearing was not functioning the minister did not make any specific statements in respect of this important area.

The bill now before us largely centres on the whole question of industrial development in disadvantaged regions of this country. Surely we are entitled to have information in this regard from the minister. If he is not prepared to give it this afternoon, I hope that after the general roster of speakers on the first clause has been exhausted he will give us a supplementary statement. Such a statement would make our work much easier. It is not fair to the many individuals and provincial governments involved in this whole matter not to have the information necessary to co-ordinate provincial attacks on regional disparity.

Several weeks ago when introducing this bill the minister made a statement to the effect that many other interesting programs would be reviewed. It is important to us to know the specific programs to be reviewed. A number of speakers have outlined the ramifications of government intervention in terms of economic works in this country which do not fall within the responsibility of this minister. We should know what programs are to be considered with the view of possible alteration or change, especially in respect of the regulations which apply to those programs. This is particularly important to the provinces involved.

Most of the provincial legislatures are now in session. If changes are to be implemented it is important that this information be given as early as possible. The minister was unable to say previously whether or not a special effort was made to attract large scale industry to the Atlantic region. He indicated that this subject would be dealt with during the course of this debate. I hope we will have some further word in this regard.

I was interested to hear the minister indicate that he plans to introduce an amendment. While the amendment may not contain many words, I think it is fundamental. Perhaps it indicates an increasing awareness and understanding on the part of the government that consultation, co-ordination and co-operation with the provincial governments is a necessity. I am sure the effort the minister is making in respect of regional disparity will prove to be vital.

I find it difficult to understand how the minister's amendment is going to change the effect of clause 26(1) and, more importantly,

the implications of clause 26(2). I am not a lawyer and I know the minister is not a lawyer, but we have many lawyers in the house who will help us. Clause 26(2) clearly states that Ottawa knows best and once the government has made its decision it will announce it from on high and the provinces are expected to follow. The minister is shaking his head indicating that is not true. I think we must have an amendment to make this clear.

I have talked to people who know more about this than I and have been assured that the effect of what is contained in clause 26(2) is to pit the pre-eminent wisdom and authority of the federal government against the full and open co-operation of the provinces. We should not disregard this concept because it is becoming increasingly important. Other bodies, particularly municipalities and regional districts, are important.

I think the intent of the minister's amendment is good. We certainly encourage him to build into this legislation that kind of co-operation we regard as fundamental to an effective program. I am still very much disappointed that the minister has been unable to answer some of the basic questions we have asked in respect of the establishment of the department.

One of the difficulties we all have in dealing with this matter is related to the broadness of the concept of this measure. Almost everything can be included. Perhaps for that reason the minister has been unwilling to give an explanation. To a very large degree this is a new venture and the minister is afraid to answer the very difficult questions involved in it.

Obviously one of the difficult questions is: how are we going to know what standards or criteria are to be adopted in order that the minister in one, two or three years from now can advise members of the opposition as to the effectiveness of this program and this new department? We must have some information at this time as to what the government thinks are the achievable or measurable goals. We are still dealing in a kind of airy-fairy fashion with this matter. We are trying a little of this and a little of that in the hope that something may result.

There is a weakness in the structure of the Atlantic Development Board. It has never really come to grips with the problem of regional disparity. It is rather ironic that the government contemplates the winding up of this board at a time when it is beginning to tackle important problems that exist in various sectors of the Atlantic region. The board is beginning to show promise in respect of the solution of problems in that area.

The minister has assured us that before the board is wound up the answers to certain questions must be found and that perhaps these answers will be forthcoming when this department gets into operation. Unfortunately the more I hear from people about this concept of regional development the more I become confused. There are many concepts of what is meant by regional development. There are more concepts in this regard than there are people who consider it a suspicious theory. It is not enough for the government to have a whole assortment of theories it may look at from time to time. Because it is committed to certain kinds of action, obviously it must commit itself to certain concepts with regard to regions. It will be crucial for the workings of this department, and for any new programs to be developed within it or other departments, to know what the provinces think about the problems. The government must begin to come to terms with that question.

• (4:50 p.m.)

In my estimation there has not been nearly enough elaboration of the structure of this department. In the comments the minister has made to date there has not been any definite elaboration of what the government plans to do by way of consultation. This has been one of the real weaknesses of all federal programs carried on in the past. Consultation, particularly with the provinces but in many cases with other agencies, has been lacking. In the setting up of this department there is, of course, an attempt to include in it at least some of the basic programs concerned with correcting the whole problem of regional inequality. If I may put this in a general way, one of my overriding concerns after studying this part of the bill is that it seems to be largely centred on industrial development. Certainly no one in the region from which I come is opposed to industrial development. It is a kind of golden word in this age. If you have problems with your economy, if you have a great deal of unemployment and underutilization of people, you immediately start talking about industrial development.

I think there has been a fairly wide consensus that the concept of the growth centre is a good one and in a general way is an advance over what the government has been doing.

But I think we really fool ourselves if we believe that regional development can be fully and completely equated with what passes for industrial development. Industrial development is one aspect of the foundation, if you like, for many other things that must happen. I hope the minister will indicate how he visualizes other questions related to the economic and social aspects of development being handled by this department.

In the few minutes I have remaining I would like to make two or three specific points with regard to this legislation. One of the basic weaknesses to be found in the bill is the effective gutting of the Atlantic Development Board. The government seems to have had a highly ambivalent feeling all the way through the piece about the Atlantic Development Board. In 1963 the government suggested it was not satisfied with what the previous government did in 1962. The government wanted more than just an advisory agency; it wanted one that had some real powers of initiation and administration. Therefore amendments were introduced in 1963. There was always a fair amount of pull and tug between what the Atlantic Development Board was set up to do and what it actually did in terms of the kind of control that Treasury Board exercised over it. But at least there was an attempt to deal with problems of the Atlantic region in a somewhat rational way through this agency.

Now we are told, in 1969, that the idea put forward in 1963 was not really such a good one. It is said that what we had before was not really better, that although it may have been said to be better, this really has not been the case. The change being made now is a variation of that theme. We are told we are to have an advisory council. The advisory council will have very little opportunity to function except as the minister desires. From a reading of the provisions in the legislation one would expect it will not function on a very active or high level. I think this is most unfortunate.

It seems to me that the federal government must establish some kind of intermediary agency through which it can meet the provinces. I feel that the Atlantic Development Board was that kind of agency. It was not perfect, obviously, but if changes had been made to give it sufficient credibility in the Atlantic region it could have become a tool functioning effectively for regional development in the Atlantic area.

[Mr. MacDonald (Egmont).]

What we have in this legislation is a face-saving device for a government that is reluctant to go whole hog with regard to this program. The government says: We really do not need it, but we are not wiping it completely off the books. We are not really changing things very much. We have given the new council some of the administrative and executive functions of the A.D.B. We have also given it much larger powers to look at the whole field and comment on all the other programs and agencies under the new department.

The government is in fact trying to console people on that basis. I hope no one is fooled into being consoled on that basis, because it is not true. The minister knows it is not true. If he really believed that the Atlantic Development Council would be so important to his work and that of his department, if he thought it would be of some significance, I am sure that in the legislation provision would have been made for other councils, particularly for an area close to the minister's own concern, the area east of Trois-Rivières within the boundary of Quebec. One could name other parts of Canada that should probably come within the responsibility of this department and with regard to which there is no provision in the bill. I was interested to hear the hon. member for Gatineau make somewhat similar comments.

If the Atlantic Development Council means anything, surely that concept should not be lost sight of in dealing with other areas in need of regional development for which the new department will have responsibility. I hope, and perhaps the minister will deal with this matter in his remarks later, we will be given a definite assurance that the kind of studies being worked on by the Atlantic Development Board and which are just about to see the light of day will be continued. It will be nothing short of farcical to set up new studies when we have already had a team of people working on studies for some years.

It would seem to me that if there is a genuine desire to attack the long-term problems of economic disparity in the Atlantic region a plan will have to be developed in the next few years which has the consent of the provinces of eastern Canada and in which there can be co-operation and co-ordination between the federal and provincial governments. Only in this way can the federal government and the provinces work together to alleviate what are very long-term problems.

There does not at the moment seem to be in this legislation the kind of framework necessary to encourage the provinces that this will be the case and to direct the activities of the department toward that end. I feel that unless we can elicit a very high level of active consultation and co-operation with the provinces we shall be going down another very blind alley. In concluding these remarks, Mr. Chairman, I would like to speak on one other matter which I think is of great importance in the setting up of the new department. It has been commented on by others.

Mr. Macdonald (Rosedale): On a point of order, Mr. Chairman, perhaps I could interrupt the hon. member and suggest that rather than the hon. member feeling constrained at this point, we might report progress and then be in a position to waive private members' hour.

• (5:00 p.m.)

The Acting Chairman (Mr. Richard): If I had been allowed, I would have advised the hon. member that his time has expired. However, if there had been agreement I would have suggested that he continue for one or two minutes more.

Progress reported.

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Richard): I have the honour to inform the house that a message has been received from the Senate informing this House that the Senate have passed Bill C-138, an act to amend the Bretton Woods Agreements Act and the Currency, Mint and Exchange Fund Act, without any amendment.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Richard): It is my duty, pursuant to Standing Order 40, to inform the house that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Surrey (Mr. Mather)—External Aid—provision of food through transfer of armament funds; the hon. member for Calgary South (Mr. Mahoney)—Consumer Affairs—lumber—inquiry as to task force finding; the hon. member for Fraser Valley West (Mr. Rose)—Labour Conditions—alternative to compensate for cancelled winter works program.

It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper.

Mr. Macdonald (Rosedale): Mr. Speaker, I wonder whether the house would be agreeable to waiving private members' hour for this afternoon so that we might continue with our discussion of Bill C-173?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION

AUTHORIZATION FOR THE ESTABLISHMENT OF A DEPARTMENT OF FISHERIES AND FORESTRY, AND OTHER NEW DEPARTMENTS

The house resumed consideration in committee of Bill C-173, respecting the organization of the government of Canada and matters relating or incidental thereto—Mr. Trudeau—Mr. Richard in the chair.

The Acting Chairman (Mr. Richard): House again in committee of the whole on Bill C-173.

On clause 20—*Definitions.*

Mr. MacDonald (Egmont): If I may, Mr. Chairman, I would like a minute more to conclude my remarks.

The Acting Chairman (Mr. Richard): Is it the wish of the committee that the hon. member have a few more minutes?

Some hon. Members: Agreed.

Mr. MacDonald (Egmont): Mr. Chairman, I want to refer to one specific matter before resuming my seat. It concerns the extra powers which are to be granted to the minister of this new department. If this department is to be effective in the over-all co-ordination of fiscal and monetary policies with regard to the development of the Atlantic or other regions of Canada, then quite obviously the minister must be given powers similar to those that are found in this legislation. I have no objection to such powers being granted the minister, but this creates a situation which can lead to considerable suspicion, and I think rightly so, because it is not normal for a minister to be granted the powers sought in

this bill. Therefore before we have completed discussion of the bill I think hon. members will have to consider how parliament can function most effectively with respect to this new department.

If there is to be ministerial responsibility in the areas which are assigned to the minister, then obviously there must be a provision in the statute to make sure that the related parliamentary committee is given a full understanding of the activities and programs that are to be carried out by the new department. Unless we are willing to provide this kind of parliamentary responsibility, we will be irresponsible in allowing the minister to assume powers which in normal situations are not usually granted to any minister. Perhaps in our further consideration of this legislation I may be able to elaborate on this subject a little more, and if there is agreement in the house I will even be prepared to introduce an amendment in that regard.

Mr. Orlikow: Mr. Chairman, I want to begin by adding to the feeling which was expressed by my colleague, the hon. member for Oshawa-Whitby, and by the hon. member for Egmont as well as, may I point out to the minister, by many people in the areas of slow growth and of poverty which should get the benefit of the activities of the minister's department. In my opinion sufficient facts and details have not been given us about what the minister and his department will be doing to assure us that its establishment will make a difference to these areas. The minister is one of my favourite ministers, but too many people, myself included, have feelings of apprehension with regard to this department and the minister in charge of it similar to those we had when he was put in charge of the Department of Manpower and Immigration.

Today I want to deal with one aspect of the minister's responsibility. I refer to the implementation of the agreements which he or the former minister signed with the provinces of Prince Edward Island, New Brunswick, Manitoba and Quebec. I have a good deal of sympathy for the ARDA and FRED programs under these agreements because I believe they are moving in the right direction. However, I submit that so far as they commit the federal government to the expenditure of tens of millions of dollars for education—and I approve of that particular program—they wipe out and make a mockery of all the principles which this minister and the Prime Minister have enunciated over the years that in their one Canada education, as they see it, is the sole responsibility of the provincial governments.

Since I only have a short time in which to speak I will not put on the record the dozens, if not hundreds, of statements which the Prime Minister and the minister have made about the subject in the most precise terms. I shall simply quote just a few. The first is in a book called "Federalism And The French Canadians", which is a volume of articles written by the Prime Minister. It is contained in an article entitled "Federal Grants To Universities" in which the Prime Minister quotes with approval the position taken by Mr. F. A. Angers who said:

> In general, the Canadian state is not the central government, but the central and the provincial governments taken together . . . In matters of education the Canadian state is the provincial state, and none other.

Later in the same article the Prime Minister said:

> —Consequently, if there is federal legislation to grant taxation money for provincial purposes, this legislation is illegal for the excellent reason that the federal government cannot by law have money in its coffers which it then claims should be used for provincial purposes.

I will come back to that later but let me say now that we are spending tens of millions of dollars on education under agreements with the provinces.

In a brief which the Prime Minister prepared for the Quebec Federation of Industrial Unions for submission to a Quebec royal commission in 1954 the Prime Minister spelled out his views again. He said that if Ottawa regularly provided funds for the building of schools simply because all the provinces need more money or do not care enough for education, the federal government would be violating the first principle of fiscal collaboration and, greater still, it would be attacking the very basis of the federal system. Those were the views of the Prime Minister written before he became Prime Minister.

What happened after he came to Ottawa? He was able to convince the then prime minister and the present minister who is piloting this legislation through the house that he was correct. As a result of his point of view the federal government took the decision to get out of agreements which the former government had reached with the provinces in the field of university education and of technical and vocational training. The then prime minister, Mr. Pearson, speaking on

October 24, 1966, to the federal-provincial conference, said:

• (5:10 p.m.)

The federal government recognizes that education is, and must remain, within provincial jurisdiction.

He went on to make a distinction between education and manpower training. The present minister, in a statement made on October 25 to the federal-provincial conference, spelled out why the federal government had decided to get out of the technical and vocational training agreements which had been of tremendous value in upgrading education in all the provinces. In making a distinction between technical and vocational training and manpower training, he said:

The distinction we do make is quite different. It is not between kinds of education. It is a distinction between the needs of people—between, on the one hand, students in the ordinary sense and, on the other hand, men and women who are or have been earning their living but who need further training or retraining for productive employment.

In the same speech to the representatives of the provinces he said:

So unless you are prepared to argue that the federal government should have the permanent influence on your programs that shared-cost arrangements give us, I suggest you must accept the principle of our withdrawal. Otherwise the level of government which doesn't have constitutional responsibility would more and more be raising the money for it and having an increasing indirect influence on the school system. That would not be healthy. It would not make any kind of sense. We are not going to do it.

That was the position taken by the federal government as expressed by the minister. Now let us look at the agreement with Prince Edward Island signed by the same minister. The federal government agrees to make available under this agreement more than $76 million. I believe it is a good agreement. I do not think enough is being done but I believe it is a good agreement. What will this money be spent on? Bear in mind that on an earlier occasion the minister said the federal government had no business to be in the field of education. Yet section 2(1) of this agreement contains the following on page 31:

The province therefore intends as an integral part of the comprehensive plan to embark on a major restructuring of its system of education.

Remember, this is a plan which is being financed in large part by the federal government. Later, the agreement says:

The basic objectives of the province in undertaking this program are to improve the quality of education; to double the proportion of students who complete grade 12; and in general, to give the people of Prince Edward Island a flexible education system capable of overcoming short-term problems and meeting long-term needs.

This is a worth while objective, and I support it. But it makes a mockery of all the things which the Prime Minister and the minister have enunciated as basic principles which the country must observe if the constitution is to be upheld.

Let us turn to the agreement with my own province of Manitoba. Here the federal government has agreed to spend over $49 million. What will part of this money be spent for? I refer to page 13 of the agreement, part one, under the heading "Education". It says:

The purpose and intent of this part is to improve the educational facilities and opportunities in the area.

The province shall undertake as a program under this agreement to expand and modernize school facilities in the area through:

(a) the consolidation of existing school boards into one board for each of the five school divisions;

(b) the investment during the five years immediately following the signing of this agreement of an estimated $4,700,000 in school facilities in the area;

(c) the construction of a technical vocational high school for a minimum of 500 students in the area at an estimated cost of $3,000,000; and

(d) the provision of approximately $19,000,000 during the life of this agreement to meet the increase in the cost of operation and maintenance of the school program.

So the department agrees to build in the province of Manitoba in the Interlake area a technical and vocational school of the kind which in 1966 the minister said ought not to be built by the federal government. He was junking the program to build technical and vocational schools right across the country because he believed the federal government should not be involved in this kind of activity; it was illegal under the constitution and it would break down the fabric of this country, as the Prime Minister has said so often.

Look at the agreement with New Brunswick. The federal government agrees to the expenditure of some $25 million as its share. The amount which will be spent on education by the federal government is listed—$5,100,000. What will it be spent for? Talk about the federal government being involved in education—here is what we find on page 15:

(a) The extensive consolidation of schools and of school districts into new and larger districts, the centres of which shall be situated in communities jointly approved by the parties hereto;

(b) the investment during the period of five years from the date upon which this agreement becomes signed by both Canada and the province of not less than $21,600,000 with respect to schools serving the centres designated under subparagraph (a) hereof, but in any case secondary schools shall have first priority in respect of the said moneys.

An increased teacher training program. Educational development. This is the kind of agreement the Liberal government is signing but which the minister is condemning. I could go on to give other examples but my time is limited.

There is an agreement with the province of Quebec. One can look at it very carefully, one can read it word by word, one can put it under a microscope, without finding in it one word about education. I do not know whether this means that Quebec does not need the amount of money for education that the other three provinces need. Possibly the province of Quebec would not take money for education, believing, as the Prime Minister used to say before he became Prime Minister, that education is the sole responsibility of the provinces and that the federal government should not incur expenditures in this field.

On the other hand, it might be that the federal government is spending money for education in the redevelopment area of eastern Quebec but that for reasons of politics, or so as to avoid wounding anyone's susceptibilities, the funds provided for it are hidden. The point I am making, and which I think I have demonstrated conclusively, is that the government and the minister are doing things which the Prime Minister and the minister said were wrong, things which they said were illegal and which would destroy the very fabric of Canada.

The present Prime Minister might argue that he cannot be held responsible for the agreements with Manitoba, New Brunswick and Quebec because they were signed before he took office. But he is certainly responsible as Prime Minister for the agreement which was signed some ten days ago with the province of Prince Edward Island. It is possible he does not even know of the contents of that agreement, though I find this hard to believe. The minister shakes his head. Then I suggest that in fact the Prime Minister and the government have scrapped the basic principles which they espoused.

There is nothing wrong about that, Mr. Chairman. If, within less than a year of forming a government the Prime Minister has found, as so many of us have tried to point out, that you cannot operate this country on the basis of a simple constitutional division of certain responsibilities between the federal government and the provinces, then we are happy. We have to approach matters in a pragmatic manner and solve problems as they arise. If the Prime Minister and the government realize this, then we are happy. But I hope that an obvious consequence of that discovery on the part of the Prime Minister and the government will be that there will be an end to the kind of lecturing that opposition members of parliament have been given by the Prime Minister, both inside and outside the house.

• (5:20 p.m.)

This sort of thing has been done unfairly, I think, but very effectively. During the last election campaign the Prime Minister took the simplistic approach that he and his party stood for one Canada, that the Conservatives stood for something known as "deux nations", whatever that meant, that the New Democratic party stood for special status for Quebec, that the Conservatives and the New Democrats were really out to break up this country, that only the Liberals had a God-given right to power 99 per cent of the time.

Mr. Knowles (Winnipeg North Centre): They are not the chosen people, are they?

Mr. Orlikow: No, and I do know who the chosen people are, although the Liberals claim to have all the answers.

The Prime Minister and the government must learn that they do not have all the answers. Perhaps they will learn that from what I suggest is a retreat in less than one year from one of the basic principles enunciated by the Prime Minister for a considerable period of time. The government must stop attacking the opposition parties by unfair and oversimplified means. Like other Canadians these parties have stated that the problems Canada faces in the fields of education, health and welfare, economic development and poverty are not simple but require a variety of techniques to solve, as well as the complete co-operation of all governments, federal, provincial and municipal. If the government has learned this, then perhaps we may begin to deal with some of the basic problems in this country.

[*Translation*]

Mr. Gendron: Mr. Chairman, we, members from the underprivileged areas, greet enthusiastically the setting up of this new department and we take this opportunity to

warmly congratulate the new minister. We know how energetic, how dynamic he is and how much he is concerned over the lot of the underprivileged in our society. We therefore are confident that his work will be successful and that he will be able to meet this terrific challenge.

Some will say: But were you not among those who favoured the establishment of this department? Of course, we were, but it was the right hon. Prime Minister himself (Mr. Trudeau) who was to be at its head, because only the Prime Minister could co-ordinate the efforts of all departments in order to reach the ultimate objective, which is to re-evaluate the underprivileged areas, and to give every department and every crown corporation their share of responsibilities in reaching this goal.

I am still endorsing the same idea. I think that everybody will recognize that there is such a close relationship, such an identity of views between the present head of this department and the right hon. Prime Minister himself that this co-ordination, this work—I should say this joint effort—in order to put to use all departments, all crown corporations will be done in an harmonious way and will ensure to the responsible minister the necessary support to reach his objectives.

I endorse the opinion of a spokesman of the New Democratic Party in that I am afraid the efforts of this very department, will prove useless unless there exists an over-all planification.

Several economists, and particularly those attached to the Economic Council of Canada, will say that planning is impossible, even at the national level, unless the United States themselves co-ordinate their efforts with ours towards such objectives, so great is our economic dependence on our neighbour.

I dare hope that the Prime Minister, during his forthcoming visit to the United States, can, jointly with the president of the United States, ensure such essential co-ordination of both countries' economies, for the benefit of our business, our trade and, by way of consequence, our social status.

The spokesman for the Ralliement Créditiste dealt with the need for such a department and suggested, at the same time, a lowering of taxes. I can hardly reconcile both philosophies. Of course—and I am convinced the hon. member for Lotbinière (Mr. Fortin) admits it—the government squeezes money out of taxpayers in order to redistribute it and restore the balance between individuals and classes through equalization payments. Between collection and redistribution there is no miraculous inflating, because the money supply would have to be increased so that more money than is collected could be distributed.

With regard to war against poverty, and undoubtedly that department will seek to carry out part of this project, there must be an all-out effort. But the public is often led to believe that in wartime the necessary money was found and that the same measures should be taken to fight poverty.

• (5:30 p.m.)

However, the hon. member should perhaps be reminded that to wage war, specially the last one, the national debt was increased fourfold, income tax was much higher, personal exemptions were only $600 for an unmarried person and $1200 for married people, income tax was levied from the rate of 33⅓, taxes were levied from $5,000, almost up to 100 per cent certain years and up to 75 per cent in others, on the income from excess profits, and there was price control, etc.

Needless to say that if the government wanted, in a democratic system and in peace time, to take such drastic measures, it would hardly be able to remain in power to attain its objectives, however worthwhile they may be.

We have to agree that nothing will be achieved in the war against poverty without a complete co-ordination of efforts. I was pleased to hear the responsible minister say that as one of his main tasks, he would have to establish new interdepartmental structures, and ensure the integration of activities because every department must provide the best management possible. As far from regional planning as he is, he can nonetheless help considerably to alleviate the distress prevailing in some areas.

For example, the Department of Justice does not as such exert an economic influence but in establishing a penitentiary in an underdeveloped region, it could make jobs available in the construction and in the operation of the institution.

And inevitably other departments, like those of Transport, Communications, Public Works, have the possibility to act much more directly to influence the economy and assist underdeveloped areas.

Because of the personality of the minister and of the co-operation he will receive, because of the understanding of the Prime

Minister himself, it will be really possible to give that vocation to each department. That desire to eliminate the serious problem of poverty seems to be shown by the representatives of the people and the individuals in general.

The minister also indicated his intention to bring about a greater co-operation with the provinces. It is really necessary that at the level of every province, there should also be a department of regional development. And here again the minister of that department will have to have, as far as possible, a great deal of authority in order to ensure the co-ordination of efforts.

As to ourselves, from the province of Quebec, we can raise questions about the nature of that co-operation. The most autonomist of Quebecers will agree that regional planning cannot be successful unless there is a co-ordination of efforts between the federal and provincial governments.

One should not try, through those agreements necessary to carry out those objectives, to remake the whole constitution. If all those who live in underdeveloped areas were asked about the necessity of co-ordination and co-operation between the federal and provincial authorities, 99 per cent would urge the governments to refrain from trying indirectly to remake the constitution at the expense of the poor people of underdeveloped areas, when such co-ordination is so greatly needed in order to finally bring about programs designed to alleviate the distress which prevails in the underdeveloped areas and to restore confidence in the future among the elite and all those who fight for the common good in those areas.

We should also secure co-operation between areas, for we are growing every day more aware of the impossibility of pulling those people out of their misery unless they contribute to their own development and share in the making of the decisions which will bring about their social and economic freedom. There are three ways of securing this participation.

We should first of all set up projects. If the areas concerned reject them we may as well give up for it is impossible to achieve true development without the participation of those concerned, in the present case, the depressed areas and the very poor.

The second answer would be to have the citizens of those areas entrust their land to experts.

[Mr. Gendron.]

There is no point in trying to carry out projects, willy nilly, in an area. The sole result would be to breed feelings of frustration and futile hopes.

There is but one answer. Have the people of the area take a strong hand in their own surroundings with the help of planners, of specialists from the higher authorities.

The planners—a new breed of experts born from this theory of land planning—will have to sit around a table with the people and discuss their future with them. Father Lebret, a pioneer in this field, said we need to tackle with a humble heart the problems of the underdeveloped areas. He added:

For we have much more to learn from them than they have from us.

Planners in some way will be the architects called upon to build according to the wishes of the depressed areas, and also—and this follows—according to professional rules, the regional dwellings which the people want to suit their taste, their needs and their future plans.

In order to do that, intensive periods of information, will have to be organized as well as authentic consultations at every level and a regional framework will have to be set up in order to make a true dialogue possible in an unqualified democracy.

I can see the problem which we will have to face at the regional level: Are we going to create bodies of technocrats called upon to establish professional development rules or are we going to revitalize our municipalities which are the government level closest to the people, the third level which necessarily has to adapt its structures to twentieth century conditions, enjoy a certain authority so as to look after the planning of their territory? At the present time, on the contrary, our cities have no authority outside their territory, and yet their influence extends way beyond that. Therefore, their action or inaction has a considerable impact on the territory although they have nothing to say when regional decisions are made.

There are also county councils which have practically no authority left and which cannot really play the part of competent agents in the planning and development of an area.

Such organizations must be modernized so that the city may be represented within these same county councils and so that the jurisdiction of the latter may be extended to cover a whole region. It is very difficult, I admit, to define a region. We could perhaps say that it is an area within the limits of which a feeling

of belonging prevails, where the same social and economic problems exist.

The county councillors, being elected by the people, would, in a democratic manner, look after the interests of the whole territory, of the whole region. And experts, made available by the higher authorities, both federal and provincial, could help in carrying out the projects under study. Instead of witnessing a sterile and constant opposition between rural and urban populations, which phenomena is not exclusive to Canada, we should know a more promising future.

We know that the urban phenomenon is ever increasing, and that rural municipalities left on their own cannot develop harmoniously and help their citizens.

This brings me to the question that is often brought up, that of polarization versus dissemination which is an extremely complex phenomenon. Everyone agrees that the small municipality, devoid of the necessary instruments, of the basic infrastructure to foster industrial development, cannot aspire to industrial growth.

Still, if only certain areas are designated, it gives rise to a feeling of despair, of frustration in all the other municipalities that are not designated. There is one possible compromise: we must draw up such criteria as will foster the creation of industrial infrastructures in the municipalities that are willing to regroup and which together, thanks to this union, can have the necessary strength and stature to develop industrial parks, obtain the necessary sources of energy and communications for their development; in short allow them to modernize their structures in the face of their vocation in today's world, and to encourage through their investments industry to settle there and thereby bring back economic balance throughout the country. This is an extremely important phenomenon.

Forgive me for referring to the environment that I know best. People are often blamed for speaking of themselves too much; yet, that is the subject they know best. I shall refer to the planning carried out in the St. Lawrence valley and the Gaspé region, more often known as the BAEQ (Eastern Quebec Planning Bureau Incorporated).

The planning experts who worked in that area during four years finally recommended the regrouping of resources and farms in ten provincial counties in the lower St. Lawrence area. Out of 10,000 farms, 1,500 should be kept; thus, 8,500 farmers, married, and with an average of five children per family, would leave. That means that roughly 50,000 persons would leave that traditional field of endeavour, agriculture, and invade the labour market.

The experts also advocate that dairies, of which there are 26 at the present time, be reduced to three modern ones. As for the sawmills—there are now 110—25 should be kept; the others should be closed down by the state, that is all those that produce 4 million feet of lumber or less.

Needless to say, if that program were implemented, approximately 100,000 out of 300,000 inhabitants of that area would be freed; on the other hand the situation of the 200,000 remaining would grow worse. It might even lead to a massive impoverishment of the whole experimental region.

Then there is no real solution to this serious problem, unless along with providing more economic farming units, dairy industries, saw-mills and other concerns, it is sought to provide also more advanced industrialization. Otherwise, we might as well fill the great urban centres with all those displaced persons.

Besides, there will not be any real participation from the people, unless regional government, like the ones I mentioned a while ago, are able to take in hand the future of their area. In fact, they are not more stupid than anybody else and can make vigorous and worth while decisions. Bossuet used to say: Common sense, is to be found among the people. Those who are endowed with such common sense have given many proofs of their vigour. They have worked voluntarily year after year for the development of their area, in order to bring the authorities to recognize their problems and to look after their own future.

Planning is not an easy thing. I could perhaps venture in the poetical field and say "Everybody speaks of planning, Foolish is the one who reckons on it, Nothing is as common as the name Nothing is as rare as the thing".

However, I do not think we should be as pessimistic as that.

It is true that governments have had the habit of following events instead of foreseeing them. Thus, they went from one urgency to another and the depressed areas were left with their problems. Those citizens were the ones known as the voiceless people, or the voice that cries in the wilderness.

Today, with the establishment of this department, we are getting more confident,

for we realize that someone is willing to look after those serious problems. Besides, that was the general theme of the whole campaign of the right hon. Prime Minister, and his only election promise, to try to establish a just society. But we must have it, that is a sure thing.

• (5:40 p.m.)

[*English*]

The Chairman: Order, please. I am sorry to interrupt the hon. member but his time has expired unless it is the disposition of the committee that he continue.

Some hon. Members: Agreed.

[*Translation*]

Mr. Gendron: Thank you, Mr. Chairman. On concluding my remarks, I say that we would be happy to be given a generous thought by the higher authorities. It would be in their interest to do so, because otherwise it would be just as costly, considering the fact that the ten counties I was referring to are granted $150 million yearly in subsidies and assistance of some kind or another.

I wonder whether it would not be preferable to ask the people for their participation and their investments for the creation of employment, to restore confidence and to revalorize environments instead of getting everybody into the habit of relying on welfare benefits which only result in depriving them of their self-respect.

I think that those living in underdeveloped areas, where they were the first owners, are capable of showing a great deal of generosity, of broadmindedness, of energy and to acknowledge the need for modern solutions to new problems, the need to regroup themselves, to communicate, to try to acknowledge and understand the proposed solutions and to decide through a vote.

It is also necessary to understand that, if economic balance is to be re-established in the country, we must reunite our energies, our enterprises, our community services and our municipalities. We must create some unity and sufficient powers to counterbalance any undue centralization of which we are the first victims and which is depriving our environment of its most capable human resources.

Intellectual knowledge combined to experience through love of our country as a catalyst and this natural pride in our environment will create such a strength that an irresistible trend of progress will definitely be launched in our regions.

[Mr. Gendron.]

[*English*]

Mr. MacEwan: Mr. Chairman, the bill before us is one for which we have awaited for several months, and which has been given prominence by the government. Indeed, I go back to the time of the last election when at one point during the campaign the Prime Minister asserted, and I trust he still believes this, that the question of regional development, particularly Atlantic development, was as important to Canadian unity as the constitutional linguistic issue. I certainly agree with that statement.

I note that the minister was in the Atlantic provinces at the APEC meeting last October, at which time he suggested that the regional development department was a reflection of the high priority assigned by the government to this question. We accept this statement, but we on this side have certain reservations regarding this department, and I want to go into them very briefly. I do not know if I will finish before six o'clock, Mr. Chairman, but there are matters I wish to put to the minister. I hope he will reply to them before this debate concludes.

• (5:50 p.m.)

The first of these is the matter of the Atlantic Development Board, something which was referred to by my leader and also by the hon. member for Egmont. It is being replaced by the Atlantic Development Council and we will want to know more about that. Another matter which I have pursued with the minister for some time, and with his predecessor, is the ARDA report on the nine eastern counties of Nova Scotia. I do not know where it stands now. Yesterday, the minister stated that he had received a letter from the minister of agriculture of the province of Nova Scotia. He also stated that if the minister wants the report made public he will reconsider the matter at that time. I mention this now because the ARDA report took several years to prepare under the combined resources of two governments. I am afraid, and this fear is echoed in the *Chronicle-Herald* of Halifax for March 11, that the report may be buried that the two governments may decide not to make it public. I hope this report, which I understand covers many facets of the economy of the nine counties which I represent, will be considered by the government. The government announced that the last FRED program, which was in respect of Prince Edward Island, would be the final one. There was one in New Brunswick. Per-

haps I might quote from the editorial in the *Chronicle Herald* for March 11.

Whatever the outcome, it is clear that Nova Scotia should be high on the new department's priority list. The disappearance of FRED before the nine-counties scheme got off the ground, and the fact that FRED plans are operating in other provinces, make such an emphasis appropriate.

Among other things which the minister will have under him is the Atlantic Provinces Power Development Act which was brought in during the time when we formed the government. It was very important in that it provided funds to build transmission lines in the Atlantic area in my constituency. Also, a large addition was made to the thermal plant at Trenton. I trust that this act will be continued. It has played an important role in helping the area. In Schedule B to Bill C-173, under Area Development Incentives Act, we find the following:

"designated area" means an area that was a designated area pursuant to the Department of Industry Act immediately prior to the repeal of that act—

I am glad to see that. The area which I represent is one of these designated areas. However, in common with the hon. member for Egmont, I wonder what will happen when the new act is implemented. We will want to know more about that. The minister now will say, "You have said a few things, what other concerns have you?" What I, and I believe members from all areas are concerned about, is that these various agencies which will be incorporated in this important department may be lost. We are afraid they may be lost in the bureaucracy in Ottawa and that the bureaucracy will run the show rather than the private citizens of the Atlantic area who could give the necessary instructions and do the necessary work in this regard.

I did hear the minister mention Professor Smith today. I think it was a good move to have him appointed the head of this council. But I am wondering who else will be appointed to the council and how much power they will have. I am afraid that the final solutions, submissions and recommendations of the Atlantic Development Council, which are so important to our area will be decided finally only by the bureaucracy—I do not say that unkindly—here in Ottawa. I hope that will not be the case.

There are a few questions I have for the minister which I believe are well phrased. I shall refer again to the *Chronicle-Herald* of January 25 of this year in which there are a few questions. They are as follows:

Given a reduced A.D.B., and a new department with responsibility for disadvantaged areas in all parts of the country, how sensitive will federal responses be to Atlantic needs?

Will the new department judge Atlantic projects by the same standards as those applied in depressed areas elsewhere, and thus fall into the same trap which very early captured the Area Development Agency program—the industry location scheme which, in effect, discriminated against this region, and in favour of depressed areas of Quebec and Ontario?

Will it be as willing as the A.D.B. to discriminate in favour of the Atlantic Provinces, in those many cases in which the needs are different and greater, and against, say, northern Ontario? Will a program devised for, say, the Gaspé be applied to this region, whether appropriate or not?

Will Mr. Marchand, and Tom Kent, the new department's deputy minister, have the same personal commitment to Atlantic development as had the Hon. J. W. Pickersgill and Nova Scotia's Allan MacEachen, Mr. Marchand's predecessors in charge of the A.D.B., and Dr. E. P. Weeks, executive director of the board since its formation six years ago?

Perhaps more to the point will a Quebec-based minister and the civil servants assigned to the new department, few—

I hope this will not be the case.

—of whom will have—

This is what I mentioned about bureaucracy.

—any personal connection with the Atlantic region, be as sensitive to Atlantic opinion as the citizens of the four provinces who serve as A.D.B. directors?

Without the A.D.B. as a buffer, and with the new department thrust forward to deal with the provinces in regional development matters, is there not a danger that federal-provincial tensions in other fields (tax-sharing, shared-cost programs, and the like) will make their unwelcome presence felt more strongly in the war against economic disparity? Will the new department co-operate with the provinces—

The minister says it will.

—for example, as has the A.D.B., in the preparation of an overall development plan for the region?

I think this last part sums it up well.

In sum, will the new department be able to bring itself to the view, of which the A.D.B. is an expression, that the Atlantic region is a special area with special problems which require special solutions?

If it can, it will represent a great step forward. If it cannot, it will become the largest Ottawa target in Canadian history, for the accumulated economic frustrations of the Atlantic Provinces' 2,000,000 people.

With that, Mr. Chairman, may I call it six o'clock?

The Chairman: It being six o'clock, I now leave the chair until eight o'clock.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. MacEwan: Mr. Chairman, as the saying goes, I had a go at this bill before dinner. I have now replenished myself with a good dinner but I do not intend to go on at great length. In any event, I believe I have only about ten minutes left to speak on the bill.

Just before six o'clock I was putting some questions to the minister. One thing discussed by earlier speakers this afternoon as the matter of estimates for this new department. In the days of the A.D.B., ARDA and AIDA, the normal estimates included amounts which were spent under these programs. There were amounts included in the estimates of the Department of Transport, the Department of Public Works and so on, for projects necessary in the Atlantic area, particularly public works such as wharves and breakwaters.

What I am wondering is whether under the new set up, when this bill is passed as it will be in due course, amounts will still be included in the estimates of the Department of Public Works for wharves, breakwaters and so on, and in the estimates of other departments, as well as additional estimates for this new department? In other words, I hope that all the amounts of money proposed for the Atlantic area will not be included in one basket in the estimates for this new department. I doubt if this will be the case, but it is something that occurred to me when reading the terms of the bill.

Another matter I wish to mention is the power given to the minister under clause 24 which reads:

> The Governor in Council may, by order, designate as a special area, for the period set out in the order, any area in Canada that is determined to require, by reason of the exceptional inadequacy of opportunities for productive employment of the people of that area or of the region of which that area is a part, special measures to facilitate economic expansion and social adjustment.

Those powers are very wide. They have been likened to the powers given to a former Liberal cabinet minister now long gone, the Right Hon. C. D. Howe. In this connection I would like to read from an article in the Halifax *Chronicle-Herald*. I do not have the date of the issue but it was not long ago. It is headed, "Powerful Echo of the Liberals' Past." Perhaps the minister has seen it, but if not he may be interested in it. It reads in part:

> A study of the legislation now before parliament to create a new department of regional economic expansion stirs memories of the powerful wartime and post-war economic reign of C. D. Howe, who practically wrote his own ticket in government and became known as "minister of everything."
>
> The former French Canadian labour union boss, Jean Marchand, who will head the department, perhaps is not given, under the bill, as broad a field for using a free industrial development rein as Mr. Howe had. But he isn't far behind. Certainly, there has been no ordinary minister in the interim who has been assigned a similar measure of sweeping authority in the economic arena.

Then the article refers to the Deputy Minister, Mr. Kent. I hope that the minister will use these powers properly. If I may put it kindly, perhaps we now have a "Pocket Rocket" C. D. Howe in this new Liberal cabinet. I have a little concern with this clause in the bill, and I repeat that I hope the minister will use these powers properly.

Earlier this afternoon the suggestion was made that with these powers a certain part of the country might be favoured over another part. However, I think the minister is a reasonable man. I have seen and heard him since he came into parliament, and I would be willing to put my money on him until something else is proven. As I say, we will keep in mind that he is a "Pocket Rocket" C. D. Howe, and we hope that he will not say, for instance, "what's a million?"

Mr. Breau: What's the picture the hon. member has in his hand?

Mr. MacEwan: It is a picture of Mr. Trudeau which appeared in the *Atlantic Advocate*, and I shall have something to say about it later. It was the issue of March, 1969. I told the hon. member about it when we were in the elevator coming over from suburbia in the West Block, and he thought it was great. I do not quite admit that.

Mr. Mongrain: You should send us copies of that.

Mr. MacEwan: You should get your own. It comes free to all Tory members anyway.

Now, I wish to deal with a matter concerning my constituency. It is something I took up with the minister by way of letter. It is the matter of the MacBean mine in my constituency, which is known to the Leader of the Opposition and is now known to the Minister of Industry, Trade and Commerce. When the Devco Corporation was established, this mine was not included under the provisions of that legislation, although we on this side of the chamber pushed for that. The hon. member for Cape Breton-The Sydneys, and my friend to my right, the hon. member for Cape Breton-East Richmond, pressed to get this mine

included in the Devco legislation. This was not done, but as a result of submissions made the mine is now being managed by Devco.

I wrote to the minister on this matter as a result of representations I received from Local 8672 of the United Mine Workers of America, with regard to the pensions payable to the MacBean colliery miners at age 65. I hope that my Cape Breton friends will not be angry with me if I point out that these pensions are only one half of those being paid to the Cape Breton miners under the Devco legislation.

The minister wrote back and said I should get in touch with the Devco officials in Sydney, which I did. It was pointed out to me that the agreement to manage the MacBean mine is a four party agreement involving the federal government, the provincial government of Nova Scotia, the Pictou County Research and Development Commission and Devco itself. I suggested that the local of the mine workers press the Nova Scotia government and the local organization known as Picord, and now I urge the minister to have the Devco officials look into this matter again.

The amount paid to the Cape Breton miners is $2,400 for a single man and $3,000 for a married man, whereas under the MacBean agreement the amount is $1,200 for a single man, and $1,500 for a married man. I hope that under this legislation the minister will be responsible for instituting proceedings to get a new agreement made between these four parties that will give a more realistic amount in pensions to these miners who justly deserve it.

Finally, Mr. Chairman, in order to give other hon. members a chance to speak on this very important matter, I will conclude by referring to the matter on which I was prompted by the hon. member for Gloucester. As I said, this article appeared in the *Atlantic Advocate*. It is headed, "The Expansion of the Atlantic Economy," and it is by the Right Hon. Pierre Elliott Trudeau, Prime Minister of Canada.

Some hon. Members: Hear, hear.

Mr. MacEwan: I am glad you are applauding; he is your boss, not mine. I do not say that in a derogatory way. The subheading to the article reads:

> Prime Minister Trudeau's article is exclusive to the *Atlantic Advocate*. In it he explains the philosophy allied to the new department of Regional Economic Expansion, and describes the working of the Marchand Plan which will give effect to the new federal policy.

During the last election campaign the Prime Minister described what he then called a Marshall plan for the Atlantic area. Now, it is the Marchand plan. Whatever the name, it is important. We hope the Minister will get on with his work on this plan. He has a great responsibility to the Atlantic area, and we will look to him to carry out the undertakings of the Prime Minister as quickly as possible. We realize that everything cannot be done overnight. As I say, the minister will have great responsibility. We will give him a chance to carry out this responsibility, but from this side of the house we will be watching him very closely.

Mr. Whiting: Mr. Chairman, I would like to make a few comments on this part of Bill C-173 which pertains to the establishment of a Department of Regional Economic Expansion. We cannot expect to have true national unity while there are regions within the country with wage levels as much as 30 per cent below the national average, and an unemployment figure which at times doubles that of the more prosperous parts of this great country.

• (8:10 p.m.)

I think the government is to be commended for its efforts to correct these grievous situations by establishing this new department. I further believe the minister who has been chosen for the portfolio is a man well qualified for the job. We trust that his ability and that of those associated with him, together with the support provided by the government, will make this department self-liquidating; in other words, we hope its need will diminish with its achievements. There have been many previous attempts by governments to shore up the economy in various areas. This is especially true so far as the maritimes are concerned. Over the years millions of dollars have been appropriated for this purpose under various government plans, projects, and programs. These efforts were all well-meaning, but unfortunately few have been effective in achieving any worth-while results.

Not only does unemployment continue at a high rate in the maritimes, but there is an exodus of people from that region of almost 20,000 per year. This exodus not only reflects the poor conditions existing in the maritimes but actually aggravates it by decreasing the markets for the products of the industries presently located in the area and for those

who would seek a livelihood through agriculture. Therefore, the purpose of this department becomes more pressing and the need becomes greater each year.

However, it should in no way be regarded as a welfare department. As a matter of fact its purpose should be to eliminate welfare by being exceptionally careful in the choice of areas and industries which have the potential to respond to economic stimulus. The proper choice as to where they will extend help and co-operation should be a basic concept of this department's operation.

In the past, I think the former department's effectiveness was handicapped to some extent by not being able to assist growth centres within disadvantaged regions. The Halifax-Dartmouth area, for example, was considered a growth area and therefore did not qualify for the special federal programs but the region surrounding these cities did because it was classified as a designated area.

This, in my opinion, was not sound economic planning as it encouraged industries to locate in an area which may not have the required facilities to help insure their success. It is, therefore, a welcome change to note in this legislation that growth centres within disadvantaged regions will now be able to take advantage of these special programs.

One of the problems facing this department is that of co-ordinating the work of the various groups and bodies which are already involved. Plans now in existence such as ARDA, ADA, FRED, and so on will all come under the control of the new department. It will take some considerable diplomacy to weld them together so that they all have a clear idea of the basic concept of what is to be achieved, and why money is being expended in this particular effort. This department will be dealing with many people, including various departments of the federal government, corresponding departments of the provincial governments, and through the provinces with municipalities whose interests are involved. It will be dealing also with the private sector because we hope the private sector will co-operate fully in this program.

In the formation of plans, one of the major needs will be to encourage industries and production programs which will stimulate exports to foreign countries and to other parts of Canada. This is especially true of the maritimes because it is through exports that the supply of money in any community is increased, broadening the opportunity for

[Mr. Whiting.]

employment and increasing the standard of living.

• (8:20 p.m.)

In my opinion it should not be a case of shoring up industries in submarginal areas, but rather of giving assistance to industries which have a chance to succeed through the co-operation of this department. The principle here is to bring people to the industries. This would involve the government moving people from one community to another and retraining them. This, I feel, would be money well spent because we are dealing with human resources, and human resources are the life blood of the country itself.

I was pleased to see that this was the approach used to develop the agreement recently reached between the province of Prince Edward Island and the federal government. This is a program based on self-help which is the proper basis on which to operate any such plan. The plan has established goals which involve an increase in the value of the economy of the province. It will take advantage of the present assets of the province to develop its agriculture, tourism, fishing and those industries which have a chance to succeed with proper encouragement and in a proper environment.

I am very pleased to be a member of the Standing Committee on Regional Economic Expansion even though my own constituency of Halton will not be directly involved. But even in a prosperous constituency like Halton we, too, have our pockets of poverty, and these are of grave concern to me. Such pockets of poverty as exist in the riding of Halton unfortunately exist throughout the whole country, and this type of poverty should also be a concern of the government. It has its worst effect in housing, and I hope the new legislation on housing soon to be announced will help to alleviate this condition in my riding and throughout Canada.

However, according to D.B.S. figures, Halton is one of the more affluent areas in the country. I know the people of Halton will endorse any effort to upgrade the economic standards of those persons living in parts of Canada which are in need of assistance. We must recognize, however, that they will be sharing in the costs and together with the rest of Canada will be vitally interested in the success of any program or agreement which is put into effect.

In this respect, in my opinion, it would be most valuable to have a detailed system of

achievement evaluation. In other words, if a project shows signs of success, let us encourage and push it. If it does not show signs of reasonable progress, let us scrap it and not waste money flogging a dead horse. This latter alternative may take some courage to carry through in certain instances, but nevertheless hard facts must be faced in life and failure is one of them. If we fail in an area, let us not continue to pour in more money and add to our failure.

In conclusion, there is one other thing that we must bear in mind, and that is simply that we cannot expect miracles because our objectives will not be achieved overnight. Some of the proposed programs may take years to bear fruit, and in many cases it may take considerable time to formulate these plans. It will also take patience and understanding, and it will require a large measure of tact and diplomacy.

Mr. Lundrigan: It gives me great pleasure to be able to say a few words on Bill C-173. I have been waiting now for approximately nine months for this portion of the bill on the reorganization of the government to be brought before the house to have a chance to make some observations on it.

I listened with a great deal of interest to the minister's statement this afternoon, as I did to the statements which he made on his election to office for I feel that the Minister of Regional Economic Expansion has one of the most demanding and important portfolios in the present administration. When I speak of the importance of his task to the whole of Canada, I admit to a certain feeling of guilt in having thought about regional disparity as a problem peculiar to the Atlantic regions. However, having heard a number of people who have participated in the debate, I realize more fully now that this problem is not one which affects only Atlantic Canada, although perhaps that is where the greatest incidence of disparity is to be found. I am certainly aware of the fact that in the whole of northern Canada, in British Columbia, in parts of Ontario, in most of Quebec and in all of the Atlantic region there are areas of slow economic growth which must be rectified by the Minister of Regional Economic Expansion.

I consider this task to be a major challenge for the minister for another reason. The present administration and the new Prime Minister made two commitments to Canada, both of which I hope will be fulfilled. I will certainly not criticize the Prime Minister if he can achieve the two goals which he set for his administration. The first one was to create a just society, about which we have heard so much, and the second was the elimination of regional disparities in Canada. So, I consider the minister to have right in his mitt the responsibility for the execution of the greatest plan that has been enunciated by the Prime Minister, that is the elimination in large measure of regional disparities and economic inequalities which exist in Canada. This is why I feel that the minister bears the major responsibility in the cabinet. I think also that the reputation of the minister and the whole government will rest largely on the success of the government in contending with regional disparities.

I have been keenly interested in observing the government's efforts in restructuring itself as it is assuming its responsibilities in office. I remember that the Prime Minister, on introducing the bill, tried to anticipate the remarks of the members of the opposition as well as the remarks that I am making now. He referred to a Roman in ancient times, and others who have made some remarks about people who spend their time restructuring. It reminds me of the Atlantic jellyfish which is always changing shape and never takes any fixed form or assumes any definite shape. I think this is a great danger with new governments.

If I had become the prime minister of Canada on June 25 of the past year, these are some of the things I would have done. The first would be to appoint half a dozen task forces and all kinds of study groups. This would give me time to learn my role if I did not know it. One of the reasons I was not elected prime minister was that I do not know how to run a country as yet. I would have become involved in a great debate on linguistics and on the cultural and multicultural problems of Canada. I would have made that a major issue in our parliament. I would have introduced legislation on abortion and homosexuality, and I would have spoken about diplomatic recognition of the Vatican. If I did not know what to do, these are the things I would have done.

What I am really saying is that I welcome this legislation because I think it is time we got rid of a government by no comment, a government by escape hatches and a government by red herring. This is the way a government can act while it spends time learning what to do. The government has before it four years, at least this is the mandate which was given the present administration by the

people of Canada. That is why it is imperative that it get on with the business of restructuring itself to enable it to deal effectively with the serious problems facing Canada. Nine months has gone by since June 25, and I think it is time we got this department off the ground because it has a mammoth task before it.

• (8:30 p.m.)

An hon. Member: You forgot about Red China.

Mr. Lundrigan: I forgot about Red China, Mr. Chairman. I was glad to hear the minister say that an amendment is to be made to 25 (1) because I think there is a great need for consultation with the provinces on all matters. I do not think any of us like the idea of unilateral decisions being taken in matters which affect more than one party.

I wish to refer now to what I call the science of technocracy. I do not think this is a new phrase. I shall not deny that one of the most important things a government has to do is to decide how to use its economic resources to the best advantage. But I do quarrel with any government which uses economic criteria alone when making decisions. Other factors have to be considered—humanistic factors. When we talk about a more humane approach to the seal fishery we ought always to remember there is a need for greater humanity in the treatment of people.

Often, it seems, Members of Parliament of all parties and members of the great civil service of Canada can grow insensitive to the needs of people. This is something which bothers me. Frequently the people who feed computers and reach decisions on the basis of statistics alone are not those who will favourably affect the development of our community and make Canada a just society. I am afraid there are people in the minister's department who are statisticians first, foremost and always, people who are economists first, foremost and always, people who feed computers and base their decisions on inhuman processes without being aware of the sensitivity of people and of the importance of keeping humanistic considerations in mind.

I listened with great attention to the minister's statement on the Atlantic region last November. I listened to what he has had to say in the house and in the committee. I heard the hon. member on my immediate right talk about the mobility of people, the resettlement program and the growth centre concept. These are all good things. Nobody quarrels with the idea of resettlement or growth centres provided the concept is broad enough to encompass some of the thoughts of my hon. friend the Leader of the Opposition.

However, if the government expects to reduce regional disparity effectively using Montreal as a model we can forget about Atlantic Canada because it is not possible to apply to Atlantic Canada the concept in vogue in Montreal. Atlantic Canada and northern Canada generally are different regions. Mobilization of people for the sake of doing so will not solve the problem. I listened to the Leader of the Opposition talking about the growth centre concept. I should like to see the government base its decisions about growth centres on the resources which are to be developed rather than on the mobilization of people and their transfer to areas which, it is hoped, will become productive. I think the Minister of Fisheries and the minister responsible for economic expansion will agree that tragedies have resulted from taking people from semi-productive areas to non-productive areas. Those affected lost their identity, their heritage and their whole way of life because they anticipated they would get a few cheaper services.

Any real attempt to remove these disparities will necessitate a great variety of different approaches. No single approach, even if it is a commendable one, such as that involving growth centres, will be successful.

The problem of getting co-operation from the other departments of government will be the major task facing the minister. This has been alluded to by almost every member who has spoken in the debate today. During the past nine months the people of Canada have been in double jeopardy. The government has taken nine months to get this department fit for sailing. Within 12 months it is hoped it will be activated and on the road. I have mentioned this already. Other government departments have gone on the road with their kinds of behaviour. I see the Minister of Finance has just walked into the house. Earlier this year he admitted that the government program of retrenchment and reductions had resulted in increased unemployment in the Atlantic region. I have had occasion to deal with the Minister of Transport. He is so bound up with the problems of Montreal airport, Toronto airport and Vancouver airport that he has quite forgotten about the other little airports in Canada. This is no way to deal with regional disparity.

Since the house opened, the Minister of Public Works has gone on holiday. We have received practically nothing in the whole of the Atlantic region since the session opened in September. There is practically nothing in the estimates. How can the minister charged with the mammoth task of securing regional economic expansion do his job if his colleague goes on holiday? There has been more action in Hull, Ottawa and Toronto than ever before, yet the Atlantic region gets nothing. This Department of Public Works will not do a darned thing. I do not know what it is waiting for. It has made great efforts to cut back. The minister tells us he will neither build up nor cut back because his department has not yet taken shape. Mr. Chairman, I could talk about public works. I could say a great deal about the winter works program. But I shall not bore hon. members with details of what they already know.

As I say, we have been in double jeopardy. One department is just getting on the road; we have agreed to wait until the minister gets set. Meanwhile, other departments have had the knife out ever since September, cutting expenditures right, left and centre. The Minister of Finance, in the white paper presented prior to his bombshell of last fall, admitted that these cuts have resulted in an increase in unemployment in the Atlantic region.

Mr. Benson: Read it.

Mr. Lundrigan: The minister responsible for this new department will need tremendous co-operation from every other government department. If he does no more than make other departments sensitive to the need for expansion in areas other than the major metropolitan complexes he will have done his job. The funds available to him—$200 million, and I have called it peanuts—are not important. He alone will not be able to make any impact on regional economic expansion, and he is not expected to. Every government department must give priority to the need for economic expansion in various regions of Canada. The Prime Minister should say to every government department: we demand your co-operation; we want you to give priority to regional development. Every department of government must tackle this task if the commitment given to those parts of Canada where disparity exists is to be carried out.

I could tell a little story, Mr. Chairman. I shall not tell it in detail because to do so might embarrass some members of the civil service who might be sitting in the gallery. I know an area where a $2 million public wharf structure had just been completed by the Department of Public Works. The Department of Transport was giving a small subsidy to a shipping service so that the service could be carried on. The department removed this subsidy and as a result the service was discontinued. But, Mr. Chairman, the only reason for spending this $2 million was to provide shipping facilities in connection with the service. I telephoned the department about this situation and they replied. Oh, that does not concern us, that is a problem for the Department of Public Works. I said: Listen. It is my money you are talking about. It is my problem. And it ought to be your problem as well. And it all has to do with this issue of regional expansion, so it ought to be the minister's problem as well.

• (8:40 p.m.)

What I am trying to say is this. Unless the minister, with a genuine desire to benefit Atlantic Canada, gets co-operation from his colleagues then he might just as well pack up and go home right now. I will conclude in a moment, Mr. Chairman, but I want to say that my feeling is that this government is not thinking big enough in its program of regional economic expansion. We are hearing a lot of talk about elimination of regional disparities, and I fully realize we are setting up a new government department to correct these disparities. However, I do not believe that the front bench opposite, or for that matter the benches behind it, are as sincere about regional economic expansion as one would like them to be. However, perhaps the minister can persuade me otherwise.

I contend we are not thinking big enough. Let me explain: Although, there will be some $200 million in the kitty for the purpose of eliminating regional disparities in Canada, I suggest we must give some thought to major resource development. For example, one province on the east coast has spent perhaps $200 million to develop Churchill Falls, a great resource in northern Canada. The benefits of this resource will be shared by Quebec and Newfoundland. This is one area of great economic expansion.

We also have tremendous oil resources in northern Canada as well as great mineral resources. The government will have to attack regional disparities by developing our resources on a large scale. We do not want just two or three metropolis in Canada; what we want are several tremendous areas of

development. Here I am thinking 20 years ahead. Several of my colleagues who are not here tonight have some great thoughts on this subject.

Transportation is also important. If you are going to develop resources on a massive scale, transportation facilities are essential. There are two reasons for this: firstly, you must get your products to the market; secondly, you must provide avenues for imports from outside markets in order to reduce the high cost of living prevalent today. So, transportation facilities are a major factor.

We must also think in terms of improving our wage structure. This might sound unbelievable, but Atlantic Canada has the lowest wage structure in Canada. In order to make an impact in the field of regional economic expansion you must put money in the pockets of the people. I am sorry the Minister of Transport is not here to listen to my remarks, but I have referred to the wage structure in his own department for those personnel employed to clear snow from airports. There is a differential of $1 per hour between personnel employed in various parts of Atlantic Canada and people doing the same work in Vancouver and Montreal. I say that before we can further regional economic expansion the minister must put money into the pockets of the people.

I am sure that the Minister of Finance is very familiar with all the theories about money and about the multiplier effect of the dollar. People in Atlantic Canada are getting wages that are 30 per cent lower than other places in Canada, even people in the employ of the government. This is the kind of thing that will have to be dealt with. There is also the matter of growth centres to which the Leader of the Opposition referred when he was talking on this bill about a month ago. Twenty years ago governments were advised that they had better start thinking about the growth centre concept. Surely, today we are far enough advanced to use the abilities of our economists and to take advantage of the computers to which the Minister of Finance referred in order to make a significant impact in the area of regional economic expansion.

The Deputy Chairman: Order. I regret to interrupt the hon. member but his time has expired.

Mr. Lundrigan: May I just finish my remarks, Mr. Chairman?

[Mr. Lundrigan.]

The Deputy Chairman: Does the committee agree?

Some hon. Members: Agreed.

Mr. Lundrigan: I thank the members of the committee and I will not abuse the privilege that has been given to me. I conclude by saying that I think the minister will agree with me that unless there is co-operation from all departments of government and the Prime Minister literally issues an ultimatum to every cabinet minister to give regional economic expansion top priority, then we will do little better than a patchwork job.

[*Translation*]

Mr. Mongrain: Mr. Chairman, if brilliant oratory displays similar to the waters at Niagara falls could settle the matter, I think that the honourable member who spoke before me would have settled the matter of regional economic expansion.

Generally speaking, I do not have much objection to what he just asserted in this house except that he gives me the impression of preaching to the converted and of suggesting to the minister measures which seem already included in the bill which was introduced by the minister.

Therefore, let us say that we agree and that we have a great deal of sympathy for the member for Gander-Twillingate (Mr. Lundrigan) but we, from the province of Quebec, feel that in Canada all the provinces are responsible for one another.

If the Maritimes enjoy prosperity, the province of Quebec will benefit from it and we shall be very happy if the wishes of our friends come true. We can assure him if our information is correct—which is not perhaps printed in black and white in the bill that the Maritimes and especially Newfoundland, will be the territories particularly selected under this legislation. Therefore, for once, we are happy.

The Deputy Chairman: Order. The honourable member for Madawaska-Victoria (Mr. Corbin) rises on a point of order.

Mr. Corbin: Mr. Speaker, I have noticed in the past that my colleague from Trois-Rivières would rise on a point of order when someone would refer to "Three Rivers" instead of "Trois-Rivières" and now I catch him confusing the Maritimes with the Atlantic provinces. There is a difference Mr. Speaker.

Some hon. Members: Hear, hear.

Mr. Corbin: The Maritime provinces consist of the provinces of New Brunswick, Prince Edward Island and Nova Scotia whereas when we talk about the Atlantic provinces we also include the new province of Newfoundland.

Mr. Mongrain: Mr. Chairman, I am very grateful indeed to my colleague for providing me with this information for, contrary to some of my friends in the opposition, I for one like to learn about things. So I thank him and tell him that I shall remember the lesson for a long time.

Mr. Chairman, in my opinion, and in the opinion of many, the bill under consideration comes a little late maybe since of course the parliamentary procedure must be followed. The hon. member who spoke just before me, said it took us nine months. Well, it takes nine months to give birth to a healthy child and you cannot expect it to be a premature baby. However, this is a good bill. It can be improved upon whenever new circumstances warrant it and new depressed areas appear.

The official opposition complained that the minister was given too much power and I heard others from that side say that the minister had probably not enough power to face all the needs of the provinces or of those underdeveloped areas of Canada.

There were even some to say that the minister was a "pocket C. D. Howe". On the contrary, I believe the minister needs the utmost power to find the answers to what the opposition has been complaining about for nine months, namely that there is still too much poverty in Canada and too much unemployment, that the economy in Canada is at a standstill. Of course this is not something special to Canada. Everybody knows that it is a plague that affects all of mankind.

We were glad to read in the newspapers, yesterday or the day before, that Canada is the third most successful country in the world, after Western Germany and Holland, in its fight against inflation.

• (8:50 p.m.)

Mr. Chairman, the minister must have extensive enough powers to be able to synchronize the efforts of all the departments, so that we do not run into red tape when the time comes to pass fundamental measures. That red tape requires that in addition to the minister and the deputy minister, civil servants, technocrats, task forces, members, agencies representing the regional promotion organizations, all must intervene, in addition to which the consent of the provinces must be obtained. In fact, there is no end to it. The minister must therefore be granted powers.

I have absolutely no objection to his resembling the late Right Hon. C. D. Howe who was one of the most active advocates of economic promotion we have known in a century. I am sure history will judge him differently from the way the opposition did at the time when he fought political battles here. One can pass judgment by looking at the results of his work here, because he was a realist. I only hope that the new minister of the Department of Regional Economic Expansion will produce as much as the Right Hon. C. D. Howe.

Mr. Chairman, it is high time for us to be realists, to keep both feet on the ground. It is high time to stop discussing such nebulous matters as the constitution for instance.

I am sure that the Newfoundland fishermen who are now going through a critical period are far less interested in the constitution than they are in knowing what they will get next week for their take.

I am sure also that the unemployed of Ste-Rose-du-Dégelé or St-Etienne-des-Grès are far less interested in knowing whether the constitution will eventually be revised than in getting a job as soon as possible that they might earn a living.

That is why I am of those who rejoice in the introduction of this bill which will allow a minister to synchronize the efforts of all his colleagues and deal with regional economic disparities in this country to fight poverty so that we might all live in honest affluence.

Mr. Chairman, I say again it is time to stop dreaming and waiting for Santa Claus to bring something every year.

I heard fantastic things in this house, in the last few weeks. For instance, some want everyone to live well on free government allowances of a $100 a month, and at the same time, they say that we should not create too many industries which would ruin other industries. All the same, we must be realistic if we want Canadians to earn a living. Indeed, we must give them an opportunity to support themselves and allow financiers to make profits they will re-invest in the economy thus creating employment for workers who otherwise would depend on the state and would increase the financial burdens of government.

Mr. Chairman, some fundamental things must be pointed out when speaking about economic development particularly in less favored sectors. So, I would like to make some remarks to the minister.

We would be in a much better position, Mr. Chairman, to promote a strong and lasting economic expansion if, instead of exporting our natural resources to the United States at ridiculous prices, we could have them processed here, by our people and sell the products to other countries, so that Canadians could really benefit from the resources nature has given them.

I am one of those who are shocked to see in front of the city of Trois-Rivières that I represent, large boats so heavily loaded that each year, the St. Lawrence must be dredged to let them bring, as far as the Great Lakes, to American harbors, our iron ore that the United States will refine, make into tools or machines that they will sell back to us at high prices, with the result that the Americans make profits with the natural resources that we sold them, often for very little.

I do not want to blame the government for this situation, because I know it has been going on for many years. I know who is most responsible and I wonder if the federal government could not, after having concluded an agreement with the provinces, legislate so that our natural resources would be processed here, in the best interests of all Canadians.

I shall quote as an example, someone who is no more, but who earned himself much fame in Canadian politics, the Hon. Alexandre Taschereau. He said once to American capitalists: If you wish to develop our forest resources, you should build mills and manufacture paper here. As far as my area is concerned, this has always ensured our prosperity. I feel that under a well-planned economic development program, we should try to take steps in order to compel foreigners to process our natural resources here.

Mr. Chairman, I should like to make another suggestion which I think is constructive and realistic. It would be that foreign companies, either British, French or American, which come here to get into business and make profits—I am thinking especially of insurance and finance companies whose headquarters are in Canada—should be compelled, under the law, to invest a considerable proportion of their profits in Canadian industry, so that Canadians may take advantage of that money which was made here, and to prevent it from being directly or indirectly transferred abroad.

[Mr. Mongrain.]

I was pleased to note in the bill under consideration, that there would be some cooperation among provinces, municipalities and all organizations concerned.

I should like to plead particularly in favour of municipalities which, in most cases, are treated like poor relatives, when negotiations are under way between the federal and provincial governments.

I would like to plead in favour of regional organizations set up by municipalities which to do so need the assistance of the federal and provincial governments.

Planning bodies, which my colleagues from Timiscouata (Mr. Gendron) referred to a while ago, and economic promotion organizations are used at times to diagnose the problems which business concerns may run into and to find some solutions.

Should the federal government be willing, in conjunction with provincial governments, to help finance such organizations whose members work benevolently and which urgently need experts, the problem of regional disparities could be solved. I should like to quote the case of La Mauricie which brings together some 85 municipalities forming a geographical entity different from the neighbouring regions. Now, the needs of these municipalities are quite alike. They have wanted for many years to set up a dynamic organization but they are unable to do so by their own means.

I recently learned through newspapers that the Quebec government was expecting a burst of economic expansion which will permit it to invest some $40 million. This is a rather important amount of money for the province. As for the department it intends to invest about $30 million.

• (9:00 p.m.)

I hope that the two governments in question will help these regional organizations establish specialized offices. These will not only serve to create new enterprises but will permit the old ones to evade difficulties, to find new markets, to develop their operations and, in case of need, to encourage people from the region to invest in the industry and contribute to the economy's revival.

Mr. Chairman, there is another factor upon which I feel I have to dwell, at the risk of being considered a heretic or a babbler.

In fact, I am convinced that governments should legislate on the right to strike which has become a curse and which indirectly

undoes governments' efforts to ensure the prosperity of the country.

These days, the right to strike is shamefully misused and most union members have had enough of those recurrent strikes which in the end only increase inflation, add to the worker's burden and make matters worse.

For example, these last few days it was announced that in February alone, 137,070 work-days were lost in the country, for a loss of $2,193,120.

While we are trying to stimulate the economy, there are union leaders without any sense of responsibility who urge workers to strike, get them in debt, and moreover contribute to ruin some businesses.

I could name six businesses that had to close their doors and two or three others that will have to do the same soon because of unfair strikes.

That is reminiscent of the Middle Ages, and governments should legislate in order to correct that situation.

I could quote testimony of union leaders, who are not just anybody, and who state vigorously that it is time that governments give the workers the machinery needed to settle their disputes without having every time to resort to strike action, to run the risk of jeopardizing the economy of the country and to solve their problems at the expense of the community.

Such little time as I have left does not allow me to elaborate on the legislative priorities that should be established. In any case, others have studied this matter more thoroughly than I have. Legislation should be passed to reduce the number of strikes. Strikes contribute to economic ruin and most union members are fed up with them. After all, they only help to increase the prestige of some labour leaders.

I apologize if my remarks should reflect on the minister, who was active in labour movements in the past, but I know that the special grace pertaining to his function that inspires him today will make him understand things that the grace provided him in his former activity would not allow him to understand then. My charge is constructive, however.

Mr. Chairman, I also wish to speak on another problem. The minister might tell me whether this legislation could solve it.

I know of a French Canadian industry that manufactures snowmobiles, or skidoos, that settled in a rural area represented by a member of the Ralliement Créditiste, and which employs some 300 workers. That industry has been in operation for about four years. It sells 75 per cent of its production to the United States and, being short of capital funds—since it was established with capital invested by farmers and workers—it has been receiving attractive offers from American financiers. It might soon be sold to some American people.

Therefore, I urge the Minister of Regional Economic Expansion (Mr. Marchand) to try and do something and I hope that the act provides some arrangements in favour of such profitable enterprises to keep them in Canadian hands and prevent them from falling into foreign hands, American or others. We should not forget that they have been built at the cost of great sacrifices.

Mr. Chairman, mention was made a while ago of industries that can contribute to regional economic expansion. Among them we find tourism. However, there is always one point that causes difficulties, at least in my province. I mean the constitutional question. Some people are haunted by the constitutional question. Their disease is incurable—

The Deputy Chairman: Order. I regret to interrupt the hon. member, but his time has expired. Does the committee agree that the hon. member should continue his interesting remarks?

Some hon. Members: Agreed.

Mr. Mongrain: Mr. Chairman, I am almost overwhelmed by the fact that my friends from the Ralliement Créditiste should be so unanimous in wanting me to continue my speech.

I shall be very brief because I like to be in order. I simply want to say that I hope this constitutional red tape will be done away with and that people will be given the opportunity to set up a tourist industry by creating attraction centres, by developing and promoting them.

Mr. Chairman, I thank you as well as my colleagues for their kindness.

Some hon. Members: Hear, hear.

[*English*]

Mr. Mazankowski: Mr. Chairman, one minister and one department to bring together all the federal economic assistance programs for a concerted attack on regional disparity may be all right in theory, but if the

motivation of the minister and the department is wrong it could result in making a bad situation worse. There will be little hope for success if this newly created instrument is used in the manner that the minister's recent statement indicated it will be used, or if it is employed according to the prevailing philosophy and methods of the government.

Once more, as demonstrated time and time again, we see the trend to centralization and bigness. This government worships at the shrine of bigness—big government, big business, big bureaucracy and big concentrations of votes such as we find in the metropolitan areas from coast to coast. In its thinking, its planning, in its legislation and in its actions, we have been shown the obsession of this government with figures and theory to the exclusion of the human factor.

In this legislation, as in most of the other measures introduced by the present administration, there appears to be a total absence of human feeling. Individual Canadians rank no higher than so many digits in an economic statistical table. I believe it is time that we, as a nation, stopped catering to bigness. I believe it is time to declare a moratorium on bigness. Let us give some attention and concern to the small things and to the little people of this country. Every day, and more and more, we see evidence of the fact that the individual is rapidly losing his identity and his place in society, his rights. Perhaps this is why we live in a society of dissent, of disorder, of destruction.

Unfortunately, Mr. Chairman, this legislation and this portfolio carry with them the absence of humanity, unless we can convince the minister to redirect the attention of the government to the individual and the small masses, those unfortunates who are unable to present their cases, the small farmers, the Indians, the Metis, the Eskimos and the low income family men. We seem to be dominated by computers, figures, percentages, dollars and per capita formulae.

• (9:10 p.m.)

I hope to see some direction in relieving the rurally depressed areas of Canada. What about the fisherman, the farmer, or the small business firms, all of whom are in a desperate position because of lack of markets for fish and grain. The result is they have low incomes while inflation and high living costs continue. If some direction is not given to provide alternative means for these people to secure a living our situation in the cities will only become worse. I think it is common sense to assume that unemployment is not solved in the rural areas by directing it to the cities.

The minister has already mentioned specific programs for a number of eastern cities. If all the effort of this department is to be placed on the centres of large population then I say, God help Canada's rural areas and her slow growth centres of low population which represent 90 per cent of this country's land area. What about these thousands of people who are in between? I would hope they would not be written off like the wheat producers of western Canada.

Are all Canadians who do not wish to live in large urban areas now to be labelled "expendable"? It is high time we took a long, close look at this bigness that seems to be the governing factor in this government's thinking. Bigness in so far as cities in this country are concerned breeds most of the major problems which face us as a nation. It not only breeds but multiplies them. Where is housing most inadequate and the most pressing problem? It is in the large cities. Where is pollution the worst? In and adjacent to the big cities. Where is transportation the most serious problem? In and around the big cities. Where is crime at its worst? In the large cities. Where is the cost of living the highest and the quality of life lowest? In the large metropolitan centres. This is inexcusable in a country like Canada where space is one of our outstanding national assets and features. There may be some excuse for urban problems in small European countries; there can be none in Canada. Yet, the government apparently plans to devote the bulk of its attention and public funds to these very same monstrosities.

I believe the whole direction and emphasis in respect of the work of this new department is wrong and should be corrected in terms of its directive. I believe we should be concentrating on building and developing the rural areas and small population centres. We should be attempting to give all Canadians a fair share of national funds and national effort rather than allowing the already big cities to grow fatter and hog the lion's share of our tax dollars and government effort. In my view, this is the only way we can hope to improve the essential quality of Canadian life. This is the only way we can answer some of our most pressing problems. It is the only way we can provide equal opportunity for all Canadians from sea to sea, as the minister pointed out in his opening remarks.

I suggest that the aid programs and all the skilled assistance should be devoted to encouraging small and middle businesses to establish and prosper in areas where that sort of industrial and commercial endeavour is needed. Let us stop feeding the large corporations and business institutions at the public trough. It is the towns and small cities of Canada which need this aid. They will most richly repay any effort put forward in respect of this type of development.

There is also a national problem of tremendous potential and great urgency facing us today which might be alleviated by application of regional economic development programs. I am speaking now of the problem of bringing our Indian, Métis and Eskimo peoples fully into the social and economic life of this nation. In the *Globe and Mail* of March 6 there was a story from Regina to the effect that the government of Saskatchewan is setting up a new department of government to deal with this very problem. During the debate it was described by Premier Thatcher as a time bomb with the fuse getting ever shorter, a problem that threatens to become a major social disaster.

The story noted that one of the main aspects of the problem is to find permanent employment for Indian people. Some are reluctant to leave home to obtain work elsewhere, while others take work only to leave it shortly afterward because housing away from their own areas is difficult to procure. In my riding there are a number of Indian Canadians. I speak about the Saddle Lake band. Just over a year ago the Department of Forestry and Rural Development, working in conjunction with the provincial government and the Saddle Lake band council, undertook to clear and develop 15,000 acres of prime, arable land for the production of crops. To date 3,000 acres are ready for use with an additional 5,000 targeted for next spring. The band members organized as a society under the Alberta Societies Act and assumed the responsibility of implementing this most ambitious project aimed at involving a majority of band members. This was the first time a vast field of local employment was made available to the citizens of this area.

The achievement of and the results from this project were beyond expectation. Besides providing employment for 125 citizens during the clearing operations, it will also provide permanent seasonal employment for 100 citizens who will actually be engaged in the farming operations. This project it demonstrated that these people are willing to accept responsibility and challenge. They are willing to provide for themselves and wish to become self-sustaining citizens. It demonstrated as well that they appreciate receiving a weekly cheque which they have earned. However, this must be done in a manner in which residence can be maintained on the reserve.

What are some of the results of this undertaking? The welfare list diminished to practically nothing when the clearing operation was in progress during the summer months. A saving of 75 per cent in welfare payments was estimated to have been made during the summer. Opportunity was made available for the development of new skills among the residents. Agricultural short courses have followed and there are now 10 young men attending the Vermilion School of Agriculture.

A prefab housing project has been commenced which constructs houses on the reserve. This project is staffed by Indians and the houses are for families on the reserve. The grain produced from the land this year has already been contracted to registered seed houses to be used as seed grain. Conceivably, this plan can continue. A livestock enterprise is to follow soon. Discussions are taking place regarding horticulture and poultry operations. Further discussions are taking place regarding the possibility of the shores of Saddle Lake becoming a tourist attraction.

A great step forward has been taken in an attempt to solve the social economic problems on the reserve. All participants are to be commended, particularly the members of the band, for their imagination, leadership and determination. I repeat, however, that steps must be taken immediately to provide employment for all these people on a permanent basis in order that they may help themselves. I would hope this department and this minister would not overlook the humanistic aspects relating to a group such as this when trying to pacify the masses.

As I said, we have had an encouraging beginning on this reserve. However, living conditions are grossly inadequate. I had an opportunity to conduct my own survey regarding the living conditions in late February. Of some 29 families interviewed, it was discovered all had an inadequate water supply and were either faced with the necessity of hauling drinking water for long distances or utilizing snow or slough water. In this day and age, when many people in Canada enjoy

one of the highest standards of living in the world, it seems to me it is a grave injustice that there are some who are unable to enjoy even an adequate water supply, one of the basic necessities of life. Similarly, housing is most inadequate. Families of 8 and 10 persons live in one room homes which measure 12 feet by 16 feet. Many of these homes lack any insulation. They are cold in winter and the roofs leak.

I am sure that this department, working in close co-operation with the Indian Affairs branch and the various band councils, together with the many industrial development bodies and chambers of commerce throughout the country, could do much to assist these people in achieving their hopes and aspirations. With the proper leadership and liaison, this department could become the most effective vehicle in Canada, if it considers people to be human beings rather than masses of voters. The native citizens are not desirous of leaving their reservations, homes and families. They are loath to move as a single family unit away from the reservations to a strange environment.

• (9:20 p.m.)

What could be more simple than to assist in the establishment of light industries, service industries and small commercial enterprises reasonably close to the reservations. In this way, the Indians would not have to leave home, family or reservations and yet would be assured of steady work at reasonable wages. Then, they would be well on the road to full participation in our Canadian national life.

Why must we crowd everything together in a country where fresh air, space and natural beauty are all around us? What excuse is there for the nightmare "megopolis" that is even now being suggested by our planners and experts, an urban monster that will stretch in an unbroken line from Montreal through Toronto to Windsor and Niagara Falls. The amount of money that will be required just to make life in that industrial slum bearable will be a thousand times greater than is required now to make rural Canada prosperous, attractive and a fully producing sector of the national economy.

Unfortunately, the pattern seems to be that when the government offers economic incentives or assistance, the major part of it is gobbled up in fierce competition between our huge metropolitan centres. In my own province of Alberta the competition is so fierce between Edmonton and Calgary in the scramble for even the smallest industry, that the small city or town is beyond consideration before any opportunity is given to hear its proposals. Big business acts in the same way, crowding out the small operator and forcing him out of business.

It is ironic that there is always lots of money for stone and mortar in the big cities, but never more than a few pennies for building in the small town. It is not enough to say that this is an irreversible economic trend. If we are looking for challenges, surely this is the greatest we can find. This is a way to reverse the trend and make a more natural, more satisfying life possible for our people.

We have recently concluded a debate on the terrible housing crisis in Canada. I listened with interest to the remarks made by members on all sides of the house outlining the lack of accomodation in the cities and the lack of recreational facilities for children to romp and play, as well as the lack of parking facilities. I can only conclude that most of these problems are man-made. Too many of our experts, too many of our planners and too many Ottawa bureaucrats tend to take European and United States experience as gospel. They continually point to the United States for reasons why we in Canada cannot do this or that, to prove that we in Canada are bound by the experience of others and subject to their lead.

Surely, in seeking to fulfil our national destiny we can do better than copy the United States, or anyone else for that matter. There is no reason under the sun why we should be bound by what has happened to others or by what others are doing in seeking to develop our own separate and distinctive national life. Let us innovate, not duplicate. We are different in history, in our economy and, above all, in our geography. Let us use the advantages these differences confer upon us. Let us do our own "thing" regardless of others. We have the land, we have the distribution of population, and we have the economic set up to make an ideal mixture of rural and urban life. All we have to do is to make up our minds to undertake the job.

I have serious misgivings about the concept of bigness in this country. I wonder where it may lead us if the trend is not averted. This is the challenge to the minister of this new department. I hope he will give consideration to some of the points which I have raised. I hope also that his department will provide the necessary leadership and incentives to give all Canadians in rural and urban areas the opportunity to share in the wealth of Canada, the results of which will make this

country a healthier and happier nation for all Canadians from sea to sea.

Mr. Forest: Mr. Chairman, may I interrupt the proceedings to move a motion to extend the sitting of this committee beyond the ordinary hour of adjournment?

The Chairman: Pursuant to paragraph (5) (a) of standing order 6 these proceedings are interrupted in order to allow the parliamentary secretary to move the extension of this day's sitting.

BUSINESS OF THE HOUSE

MOTION TO EXTEND HOURS OF SITTING

Mr. Yves Forest (Parliamentary Secretary to the President of the Privy Council): I move, pursuant to paragraph (5) (a) of standing order 6:

That this sitting be continued until midnight this day for the purpose of continuing consideration of Bill C-173.

Mr. Deputy Speaker: Is it agreed.

Some hon. Members: No.

Mr. Bell: You are trying to kill our staff.

Mr. Deputy Speaker: Will those members who object to the motion please rise.

And more than ten having risen:

Mr. Deputy Speaker: I declare the motion lost.

The house will now resume, in committee, the business which was interrupted.

GOVERNMENT ORGANIZATION

AUTHORIZATION FOR THE ESTABLISHMENT OF A DEPARTMENT OF FISHERIES AND FORESTRY, AND OTHER NEW DEPARTMENTS

The house resumed consideration in committee of Bill C-173, respecting the organization of the government of Canada and matters relating thereto—Mr. Trudeau—Mr. Faulkner in the chair.

• (9:30 p.m.)

[*Translation*]

Mr. Latulippe: It is with pleasure, Mr. Chairman, that I participate in this debate. In fact Bill C-173 is made up of several clauses and it is intended to establish a Department of Regional Economic Expansion.

Mr. Chairman, it is the government's responsibility to exercise its powers in the best interests of the people.

This bill includes several good points, but the Minister will not be able to realize some of them because the Canadian sources of capital supplies will not be adequate and this will be the case for capital investments by foreign countries. This bill does not provide for the creation, by the government, of adequate capital resources to effect what is physically possible and to realize what is possible and feasible from the physical but not from the financial viewpoint. This is what the Minister will come up against.

The Minister is given a spring with only a trickle of water. He is granted a certain amount of money and when that amount is spent, the spring will have dried up.

The underdeveloped regions will remain underdeveloped because the means of development will be missing and because the spring will have been diverted from its course. Whatever little capital is left will be taken away for other purposes, as well as the few drops from the stream; this will greatly reduce the activity in the economic field.

The field of activities devolved to the Minister is the development of economically weak regions in Canada and goodness knows there is quite a bit of them.

I would like to tell him about my region, one of the first regions to be settled in Canada. At one time, it was prosperous; today, it is going bankrupt, and people are leaving in droves. What is the cause of such a situation? The present system.

It is a fact that the old political parties, the key administrators, the key economists who know it all, who have all the answers but who solve nothing, who drive us deeper into debt, are the ones to blame. The minister will not be able to achieve any economic regional development without getting us deeper into debt.

Some 410 million dollars worth of bonds have matured. That is an old debt, and we are not told when it was incurred nor whether those bonds were sold. We are told that they are payable and redeemable now and that we do not have the money for this purpose. More money must be borrowed at the new interest rate and this leads to new taxes and to new problems for the population and for the regions that are already overburdened, overtaxed and that will continue to be taxed in order to protect capital and bonds which we will have to pay for until Doomsday. We pay

the interest, so those bonds could already have been reimbursed three or four times.

This bill does not make any provision whatever to deal with this problem. That is where the minister will find himself in hot water. That will hinder his efforts and his work. Apparently, he is in good health and his intentions are of the best. We have confidence in him, we know that he can do his job and this pleases us. We admire his ability but we know that he will find himself in conflict with financial interests. However, no member of the other parties wishes to solve the financial problem.

It seems all members favour this kind of debenture redemption. Some of them mature every two or three months. The increase of capital and of interests contribute to widen the gap between the wealthy and the poor. The minister wants to correct this situation. If this situation is to be corrected the other situation must also be corrected. However, the government does not intend to do so.

Those great economists of ours are not in favour of this. Since they have invested capital in debentures, they think it is a splendid idea to increase the interest rate and to create everlasting debts, while they may lead the life of Riley. Once those debentures have been issued by those institutions, interest has to be paid for 30, 40, 50 years, practically forever. Those debentures bring high profits and are renewed periodically at a higher and higher interest rate, and this brings about our economic stagnation. I do not think there are two members on the government side who could prove me wrong. Not one of them has ever stood up and denounced this system.

The Deputy Chairman: Order. I shall ask the hon. member to address himself to the Bill before us. Part IV of Bill C-173 deals with the Department of Regional Economic Expansion and I shall ask the hon. member to save his remarks for another bill which will be brought forward later by the hon. Minister of Finance (Mr. Benson).

Mr. Latulippe: Mr. Chairman, before trying to speak about economy, one must be able to finance the economy. And if we cannot speak about finance, let us not speak about economy.

Some hon. Members: Hear, hear!

Mr. Latulippe: Mr. Chairman, I shall draw your attention to the fact that I have not been elected here out of charity. It is not out of charity that I am here. I have been elected by the people, I am discharging the responsibilities they entrusted to me and you will not prevent me from doing so. I hope I made it clear to you.

[Mr. Latulippe.]

Some hon. Members: Order.

Mr. Latulippe: Mind my word. If I never told you before, I am telling you now.

Mr. Chairman, to come back to the bill under study, I say to the minister that we will vote for the bill although we are sure that in spite of his good intentions he will not achieve his goal.

That is the point I should like to develop. We are not against the bill. It is better for us to get that than nothing at all, but we know this will not solve the problem.

We know that the industries in my area which are supplying other manufacturers are now closing down, that 70 per cent of the farmers have left their farms in the last ten years.

I ask the minister to tell us what will he be able to do to coax them back to the farm? How will he settle the problem?

Plants with 250 employees, and others with 50 or 60 employees, are closing down. For instance, the town of Scotstown, formerly had a population of 5,000 people of which 350 worked for a local industry which went out of business about ten years ago. Today the population has dwindled to 1,500; they have been left with debts of all kinds: municipal, school, vestry-board, etc. The people are head over heels in debt because the town at one time was prosperous but has now become run-down, a dead town, a ghost-town where properties that used to be worth $25,000 are now up for sale for $2,000 and $3,000. The situation is sad indeed now. That is why I ask the minister to include our area amongst the designated areas. Ours is one of the oldest areas and also one of the less prosperous, and the most affected in the whole of Canada. It is located in the eastern townships, and yet I know other areas in Canada which are like mine.

The minister therefore has a lot to do. He knows full well that although the engineers, the scientists, the material and equipment are available for carrying out his plans materially, for lack of capital they are financially impossible.

Some hon Members: Hear, hear.

• (9:40 p.m.)

Mr. Latulippe: To operate the economy of a country, Mr. Chairman, you need resources.

If we lack money at all times, how can we expect the economy to operate properly? If you drive out in your car and then going up the hill you run out of gas, you have to get out and walk perhaps ten miles to get gas, which is hardly advantageous.

This is what happens in our present economic system. The economic, financial machine lacks the necessary fuel to make the engine run.

The purpose of the bill under consideration is to establish various industries. The purpose of the industry is to produce as much as possible with the least possible effort and not to create manpower. Today the industry wants to use to a maximum scientific, technical and mechanical means but this is not a way to create jobs. The needs of the people remain unfulfilled. It is not necessary to administer in terms of machinery and science but rather in terms of the human person who has needs within the family.

Therefore, this bill should provide a plan which would guarantee an income to every citizen who has the right to live. Canada produces enough to feed five times as many people as we have now. What every citizen needs then is a guaranteed income and an adequate purchasing power to keep industry going. They want to create industries but the purpose of this bill is to get our products to markets abroad. We are going to sell the best of what we have and we Canadians, who are not very wise, will content ourselves with what remains. Such is the purpose of the bill under consideration now.

Let the government promote the investment of foreign capital in our country, yes. We want some of that capital, but it will never contribute to the development of Canada, it will never make it possible for Canadians to own their own land, homes, industries, natural resources, in brief, they will always be nothing but tenants.

But Mr. Chairman, I should like to tell the minister that if foreign capital is to establish itself in Canada, I would like to know why our national agency should not issue the same credits on the same guarantees.

Such is, Mr. Chairman, one of the solutions we could offer. If the minister had opened his eyes a little more, he could have offered a solution similar to that provided in the bill. We could then find sources of supply and say one of these days that Canadians can own something, that they will not always be only drawers of water.

Mr. Chairman, I would have much to say on this bill but I would rather ask the minister what he intends to do to develop that tremendous economic activity. Where will he get the money to so? Will it take fifty, a hundred or two hundred years to materialize? It has been said that about $130 million were made available to the minister to get that agency going. But it is merely a drop in the ocean. We will not go far with $130 million far all Canada. The minister said that everything has to be done, and that there were lots of fields where development could take place.

We hear about the development of the tourist industry, and of all kinds of things but the tourist industry is not a solution to all our ills, to all our problems.

It may be an answer though I cannot see why, in order to attract tourists, one should borrow money at a 10 per cent rate of interest then pay it back practically every eight years in the form of interests, thus remaining indefinitely in debt and paying higher taxes.

If the tourist industry were run that way, we would get the same results as in all the other sectors of our economy.

We have to finance regional disparities. If we prove unable to appropriately combine public and private investments, we are doomed to failure. In fact, we go on borrowing capital at extravagant rates and we strangle the taxpayers for the sake of development.

A moment ago, the hon. member for Témiscouata (Mr. Gendron) told us that the Créditistes suggest all kinds of answers and go on repeating over and over again that once war is declared everything becomes possible. He added that we forget to say that you then have to get indebted, to borrow money at frightful rates of interests which strangle the people.

As for those bonds, worth $410 million, they are war bonds, I believe. They are always renewable at current rates.

Mr. Chairman, we are not advocating war; we just say that war should not be waged for the sake of profit. Wars should be waged with capital hearing interest according to management costs only. The same should apply to the development of the public sector and the Canadian economy.

The new department should not be concerned with making money. Then, Mr. Chairman, we could get out of the ditch and do

something to improve and balance our economy. The more we play with the present systems, and the more we set up bodies such as this one, the more we upset our economy. We shall never be able to balance it with the means available to us now. Those means are old-fashioned, obsolete; they are applied in every country and always lead to the same results, that is bankruptcy, new increases in taxes. They lead to disaster because the people become discouraged, because the workers no longer wants to work, their tax burden being too heavy.

We can increase the production of the country, by using Canadian capital with Canadian guarantees, the same that we give abroad. That is how we can again become the owners of our heritage, of our industries. At the present time, we can hardly operate our industries, especially the small ones. There are awful problems. Two or three accountants are needed just to keep books for the government. And the government does not pay for that.

In our economic system, the citizens are unable to pay because their taxes are too high.

The Deputy Chairman: Order. I am sorry to interrupt the hon. member but his time is up. Will the committee agree to allow him to continue his speech?

Some hon. Members: Agreed.

Mr. Latulippe: Mr. Chairman, I will be brief and I want to conclude my remarks by asking all responsible members of the house and the minister responsible for the economic agency that we are dealing with, that we are launching or sinking, to choose between two alternatives: either balance our economy or unbalance it and put us in a depression. There is no middle course; we must either go right or left. We cannot follow the middle course because it is too complex. We are forced to choose one of the two paths now before us, and they both lead to slump conditions, disaster, revolution and war everywhere because the people are oppressed. They are fed up with taxes of all kinds that they are unable to pay because governments must get more and more tax revenue for their administration.

We all know that people do not want to work any longer, because it takes all they earn just to live. Those who are on welfare receive more than those who work. They pay no taxes and those who work must pay taxes for the others. In the end, what is left of their pay after taxes leaves them worse off than if they depended on welfare benefits. But how long will the unemployed benefit from social welfare? How long will we be able to cut the pay of those who work to give to those who do not work?

• (9:50 p.m.)

Mr. Chairman, some agreements should also be signed between provinces. Applications under ARDA, for example, in Quebec, in my area, must be made to the provincial government. We have asked the provincial government to develop lake shores and roads to help the tourist industry. The provincial government replied that the land was not its property and that they were not interested in investing one penny to develop land they do not own.

I ask the minister what kind of agreements he could negotiate with a provincial government that cannot do anything on land it does not own? As a result, the provincial government will develop provincial parks, invest ARDA money in provincial parks and this will be of no help to all the people, nor to the designated areas, the depressed areas. That will promote development of national parks and result in benefits for the province, but will not profit the public, the people in those regions who can hardly make both ends meet or pay their taxes.

I ask the hon. minister what he can do for the provinces. What kind of agreements can he negotiate with the provinces to develop those depressed areas?

I have already told the minister that a large section of the region where I live is annexed to the city of Sherbrooke, which is considered to be a fairly prosperous area, but the towns and regions around Sherbrooke are in a real slump, and we cannot get any assistance because that city is situated in an area considered to be economically independent, although there are thousands of unemployed in that city.

Mr. Chairman, I will not pursue my remarks further, but I would like, once again, to have the minister tell us what projects he intends proposing to the provinces so that they can promote their under-developed areas.

Mr. Corbin: Mr. Chairman, I am still under the shock of my hon. friend's speech. I do not know whether to rejoice at his eloquence or shudder at the gloomy picture he has conjured up for us.

In any case, I feel I represent a "have-not" area in many ways, but rich nevertheless in the burning desire of my fellow-citizens to co-operate with the government in finding permanent solutions to their problems.

I am happy to see that the hon. minister has been given the responsibility of the new Department of Regional Economic Expansion. I believe he is highly qualified for the job and I want to tell him at this point that he can count on my full support and co-operation. As ill-luck would have it, I did not get to hear the minister's speech this afternoon, but I will make it a point to read his remarks in tomorrow's *Hansard*.

Mr. Chairman, I am not an expert in matters of regional economic expansion, yet I would like to make some comments on the subject.

I am not pessimistic by nature either, and moreover I am very patient when long term solutions have to be found in order to settle, if not for ever, at least for some time, our problems of regional disparities.

When one speaks of the plans of the Department of Regional Economic Expansion, one thinks at once of the confrontation of ideologies that might occur between the federal government, on the one hand, and regional governments or a provincial government, on the other hand.

I submit that a conflict may arise in some cases between the priority needs of a given province and the solutions proposed by the federal government in order to help a province put its economy back on its feet.

I do not know who will have a right of priority in both cases but I am convinced that we must co-operate with the utmost common sense. As for me, I am satisfied with the co-operation from the Atlantic provinces in connection with the proposals made by the federal government so far.

However, one point worries me. To work out those plans, federal officials will be used and at times I doubt that some of them understand our regional problems. As a matter of principle, I find it hard to admit that someone who has always lived in the central provinces, who has studied there, who has found his theories there, may find possible solutions to problems of regional disparities and bring a valuable contribution to the solution of regional problems. However, I give them the benefit of the doubt.

But, in my opinion, what is essential is that governments make allowances for ideas and proposals from the people we want to help. For some time we have been hearing about participatory democracy.

Mr. Chairman, may I call it ten o'clock?

[*English*]

The Deputy Chairman: Order, please. It being ten o'clock, it is my duty to rise and report progress and request leave to sit again at the next sitting of the house.

Some hon. Members: Agreed.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Drury: I think as a consequence, Mr. Speaker, of the progress or lack of progress we have made on this bill the order of business tomorrow will be altered. We will continue with this bill, followed by the Superannuation Act and the Financial Administration Act.

PROCEEDINGS ON ADJOURNMENT MOTION

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

• (10:00 p.m.)

EXTERNAL AID—PROVISION OF FOOD THROUGH TRANSFER OF ARMAMENT FUNDS

Mr. Barry Mather (New Westminster): Mr. Speaker, a few days ago on orders of the day I sought to raise the following question:

Is consideration being given to the suggestion of a national body, the Canadian Catholic Conference, that 10 per cent of Canada's armaments expenditures be spent instead on such peace efforts as the provision of food for under-developed countries?

At that time Mr. Speaker ruled the question out of order and I have taken the opportunity tonight to try to raise it again. In the few moments at my disposal, I wish to put some statistics on the record in support of the basis for the question.

As we know, Mr. Speaker, the great producing powers of the world are teetering on a balance of terror with regard to defence expenditures, without very much hope that present vast expenditures on mutual destruction can be reduced. According to the United

Nations Arms Control and Disarmament Agency the current cost to the world of armaments is $182 billion a year. The United States alone spends $80 billion every 12 months. Between NATO and the Warsaw Pact countries 90 per cent of the world's armament expenditures is incurred.

The total arms bill of the world is equal to three times the world's spending on public health, and is 40 per cent more than the world's spending on education. It represents $53 for every man, woman and child in the world and, as hon. members well realize, in some countries $53 is often the difference between life and death.

As pointed out in the letter to the Prime Minister (Mr. Trudeau) from the Canadian Catholic Conference:

> Some members of your government have begun to compare Canada's high level of defence expenditures to the relatively low level of foreign assistance. This ratio is now nearly six to one ... One interesting suggestion, for example, proposed that for a start Canada might transfer 10 per cent from her defence budget to development projects.

In my opinion, no country in the world from the point of view of history, geography and economics is more favourably situated than Canada to give leadership to the world on this serious issue of armaments as against peace expenditures. A 10 per cent reduction would mean very little difference in Canada's defence strength in this nuclear age, but it would mean a great deal of difference in the respect of the world for Canada and the defence of the world itself, because this would be constructive spending for peace, spending on food and medicine for other countries. I urge that the government give serious consideration to this 10 per cent proposal, 10 per cent less for defence in the armements sense, and 10 per cent more for peace in the sense of spending to help the hungry and the sick people of other countries.

Mr. J. E. Walker (Parliamentary Secretary to the Prime Minister): Mr. Speaker, there is no way, of course, that I can undertake to the house that this government intends to transfer any specific part of its revenues from one task to another. Nor, I should say, is there necessarily anything meaningful about statistical comparisons. There are any number of methods of computing defence budgets just as there are a number of ways of calculating sums spent on economic assistance programs. Even the technique employed by the Organisation for Economic Co-operation and Development offers suitable scope for variation among reporting countries.

[Mr. Mather.]

I welcome the opportunity, however, to reaffirm to the house the conviction of the government and the Prime Minister (Mr. Trudeau) that one of the foremost problems in the world today is that of the spread of economic standards as between the rich nations and the poor nations. One of the priorities of this government, and the governments of all of the industrial nations of the earth, must be the raising of the standard of living of the two thirds of the human race who live in conditions of abject poverty. Should the expectations of the persons of the so-called "third world" not be fulfilled, then the latter part of this century is likely to be a most unsettled one.

The government is continuing and indeed increasing its participation in the Colombo Plan, and in a variety of other assistance programs of which the house is aware. The Government is as well taking a serious interest in the affairs of U.N.C.T.A.D., United Nations Conference on Trade and Development, in the belief that the long range solution to the economic difficulties of all nations, both developed and developing, is a world in which international trade plays a major role. Only when the developing countries are able to sell their goods abroad will their economies attain the self-generating stage.

In conclusion, may I say that the aim of Canada's economic assistance programs is to assist the developing countries to achieve a high degree of economic independence. They are not intended as a mere palliative or food give-away program. We help in these ways in emergencies, but much prefer to assist the countries to grow their own food, manufacture their own goods and harness their own resources. This is our aim and is one which I am sure all Canadians support.

CONSUMER AFFAIRS—LUMBER

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, a few days ago I opened the can of worms with regard to lumber prices. Regrettably, the Minister of Consumer and Corporate Affairs (Mr. Basford) was the only appropriate minister in the house at the time to which to pop the question. I had actually intended to direct the question to the Minister of Transport (Mr. Hellyer) in his capacity as minister primarily concerned with housing. I see that, unfortunately, the parliamentary secretary to the Minister of Consumer and Corporate Affairs has taken the ball back in this regard. I am sorry to have imposed on either him or his minister in this regard because I do not really believe there is any

reason to speculate that activities in this market area should be subjected to scrutiny by the combines investigation branch.

The fact remains, however, that price changes in the lumber industry over the past year or over the past few months have been little short of monumental. The figures which I shall quote here have been taken from actual invoices which I have obtained from contractors in Calgary whom I believe to be in a position of driving the best bargain that is available in this particular market. I shall not cite all these prices by any means. I believe a few will illustrate my point. Fir lumber in the dimensions of 2 inches by 4 inches by 16 feet was invoiced on February 20, 1968 at $124.75 a thousand board feet. On March 12, 1969 it was invoiced at $177. This is an increase of 41.8 per cent. Then, 2 inch by 6 inch by 14 foot fir was invoiced on March 27, 1968 at $118 a thousand board feet. On February 24 it was selling at $175 a thousand. This is an increase of 48.4 per cent. Fir sheathing, which is used on the sides of a house, increased in price over 20 per cent between August 1968 and March 1969. Some specific items have increased in amounts over 100 per cent. For example, grade 2 shingles have increased 135 per cent over what they were a year ago. There are many other examples.

These examples are typical of what seems to have occurred in the industry. I might quote directly from a letter from a building supply company in Calgary to its customers. Usually, they send out price lists but recently they have been sending out the following notice:

• (10:10 p.m.)

Due to present shortages and the price fluctuation of lumber and plywood, which may continue for some time, we are unable to furnish you with our normal price list.

However, we will be pleased to quote prices for immediate delivery from our stocks on hand.

The situation in the industry is little short of disastrous from the housing point of view, and certainly it is undermining the entire construction industry. The price changes in the last year have been such that there has been an increase of about $800 to $1,000 on the cost of a $20,000 house.

The feelings of the home buyer and of the contractor are not particularly alleviated by the following information published in the *Financial Times* issue of March 10, 1969:

The forest products companies, particularly the west coast operators, had a bountiful fourth quarter with profit increases averaging 61 per cent following a decline of 32 per cent in the previous nine months.

The whole problem is one that is really continental or world wide. I think it is attributable to the pressures of the export market. The fact is that 75 per cent of our lumber is exported from Vancouver market and 25 per cent is used domestically. Supplies have been far outstripped by demand. It is a very serious matter. As a matter of fact, yesterday the housing subcommittee of the senate committee on banking and finance in the United States, under Senator Sparkman of Alabama, commenced sittings on the lumber situation as a result of requests made by the National Association of Homebuilders.

We are in a steadily worsening crisis with regard to the prices and supply of forest products. This is having a disastrous inflationary effect on the stability of the construction industry generally. The pain is not assuaged by the knowledge that profits in the manufacturing segment of this industry have increased greatly, as did those in wholesale distribution.

We have a problem here that is of immediate concern to the nation. We want our export trade,—it is important to us—but there is a recognized crisis in housing. Somehow or other we have to achieve a balance between our export prices on the one hand and the legitimate needs and requirements of the construction industry generally and housing in particular. I respectfully submit that some very top level governmental action is indicated to investigate the current situation.

Mr. Stanley Haidasz (Parliamentary Secretary to the Minister of Consumer and Corporate Affairs): Mr. Speaker, on behalf of the Minister of Transport (Mr. Hellyer), I welcome this opportunity to reply to the question of the hon. member for Calgary South (Mr. Mahoney). I appreciate the concern of the hon. member about the recent increased cost of lumber in Canada which apparently is also a problem and a matter of concern in the United States. The report of the task force on housing and urban development evidently contained a statement of the problem of the cost of building materials but it did not comment specifically on the recent increase in the cost of lumber. It appears the increase in lumber prices has occurred especially in the last few months and is evident in more than one province. It should be noted that in the last year or two we have experienced in Canada, as has the United States recently, a

great upsurge in house construction. There has, therefore, been an exceptional demand for all building materials, including lumber.

It should also be borne in mind that in the last decade lumber prices have been depressed in relation to the upward or inflationary trends in the price of labour, land, financing and other building costs. I assure the hon. member that the Minister of Transport in charge of housing is most concerned about this problem. It is anticipated that whatever action can be taken by all the sectors involved to deal with the rising prices of building materials, including lumber, will be taken. I also assure the hon. member that I shall bring his remarks to the attention of the Minister of Transport (Mr. Hellyer) who is in charge of federal housing policies.

Motion agreed to and the house adjourned at 10.18 p.m.

HOUSE OF COMMONS

Friday, March 21, 1969

The house met at 11 a.m.

ROUTINE PROCEEDINGS

COMMITTEES OF THE HOUSE

Fourth report of Standing Committee on Broadcasting, Films and Assistance to the Arts—Mr. Reid.

[*Translation*]

Fourteenth report of the standing committee on Finance, Trade and Economic Affairs, in French and English—Mr. Gaston Clermont (Gatineau).

[*Editor's Note: Text of foregoing reports appears in today's Votes and Proceedings.*]

[*English*]

EXPORT DEVELOPMENT CORPORATION

MEASURE TO PROVIDE INSURANCE, GUARANTEES AND LOANS TO DEVELOP TRADE

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce) moved for leave to introduce Bill No. C-183, to establish the Export Development Corporation and to facilitate and develop export trade by the provision of insurance, guarantees, loans and other financial facilities.

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

FISHERIES

SEALS—DEPLETION OF HERD—OPERATIONS OF NORWEGIAN VESSELS

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, I should like to make a short statement on recent developments in the seal hunt. It will answer several questions asked in recent days by hon. members and serve to bring the house up to date on the situation both in the Gulf of St. Lawrence and on the Labrador front in the North Atlantic.

There is real concern from a conservation point of view. The seal count, to date, has been small both in the Gulf of St. Lawrence and off Labrador. In the Gulf the count of adult female seals has been in the order of only 250,000. In a normal year this figure would have been between 750,000 and one million. It follows that less than one-third as many adult female seals have been observed in the Gulf of St. Lawrence as compared to normal times.

The quota set by regulation for the taking of young seals, as hon. members know, is 50,000. It is 50,000 assuming a normal year in so far as adult females are concerned. This year we terminated the hunt at 35,000, our main concern being that, if the hunt had been allowed to continue for another day, an entire year class may have been wiped out.

The main problem on the Gulf of St. Lawrence has been the absence of ice suitable to the pupping of young seals. This, together with frequent storms has resulted in many drownings. The young seals have been drowned either at birth or as a result of the breaking up of the small ice floes which have been limited mainly to the Northumberland Strait between Prince Edward Island and the mainland.

The hon. member for Egmont (Mr. MacDonald) has quoted local fishermen as saying that there are a large number of seals off the north coast of Prince Edward Island. I regret to advise the house that there are no more than 6,000 young seals in the entire area at the present time.

The second phase of the hunt, Mr. Speaker, is now concentrated on the front off Labrador in the North Atlantic. The main seal concentration is around the mouth of Hamilton Inlet. Six Canadian ships are taking young seals there at the present time. Fourteen Norwegian vessels are also in this same general area.

I regret to inform the house that we have encountered some difficulties with the Norwegian sealers. When the season opened on the front on March 12 several Norwegian ships were observed inside our territorial waters. One is definitely known to have been taking seals on Saturday, March 15. Warnings were immediately issued by radio to all Norwegian vessels ordering them not to take seals and instructing them to leave Canadian waters.

• (11:10 a.m.)

Due to extreme weather conditions, thick ice and heavy Arctic fog, it was impossible

for our fisheries protection vessel, the *Cape Freels*, to get into this area. We therefore requested the Department of Transport ice-breaker, *Sir Humphrey Gilbert* to come up from St. John's, Newfoundland. This vessel, with a helicopter and fisheries protection officers aboard is now in Hamilton Inlet with instructions to pick up the Norwegian vessel, which was known to be taking seals on Saturday, if it is still within our 12 mile limit. Otherwise it would appear that the situation on the front is generally under control, as all the other Norwegian vessels are known to be outside of our territorial waters.

I should reiterate, in conclusion, Mr. Speaker, that our fisheries protection service is operating under very adverse conditions off Labrador. Lack of visibility, freezing of ships in the ice, high winds and poor radio communications have contributed to delays which have been encountered in carrying out orders which were issued some days ago.

Mr. James A. McGrath (St. John's East): Mr. Speaker, the minister's statement just recently came to my attention. I have not had a chance to study it. The members of this house were interested to hear what the minister had to say regarding the seal herd in the Gulf of St. Lawrence. I believe hon. members realize the importance of the seal hunt as a supplementary source of income to the fishermen in the Atlantic provinces.

The minister referred to the fact that the herd this year is very seriously depleted. I believe he mentioned the herd was down to 250,000 from 700,000. This is a real cause for concern, Mr. Speaker; but the minister omitted to mention the fact that Canada is now a member of ICNAF, the International Convention of the North Atlantic Fisheries. I believe this matter has been under the jurisdiction of ICNAF since 1966. Steps should be taken in ICNAF to ensure proper methods of conservation of the herd off the front. I believe that proper conservation methods must be taken with the main herd off the coast of Labrador. We can talk all we want about a sanctuary in the Gulf of St. Lawrence, but it is all to no avail unless the main herd is protected.

I am sure hon. members are glad to hear that the minister at last has his facts correct regarding the infringement of our Territorial waters that took place last weekend, and is still taking place, by Norwegian vessels. I brought this to the attention of the minister and his parliamentary secretary gave a reply on Monday. The reply by the minister on Tuesday indicated there was no evidence that seals were being taken by the Norwegians. This was totally at variance with the reply given by his parliamentary secretary the previous Monday. We now find there is evidence the Norwegians were hunting seals within the three mile limit, and the department has had to request a coast-guard vessel to be dispatched from St. John's, several hundred miles distant. This highlights the inadequacy of the fleet of fisheries patrol vessels to enforce Canadian jurisdiction and conservation in our territorial waters, particularly in so far as fisheries and the seal herd are concerned.

The fleet of the Department of Fisheries patrol vessels must be substantially increased so the department can enforce our territorial jurisdiction. The seal fishery has been a subject of debate in this house for a number of years, more particularly since films produced in 1964 were shown around the world, and as a consequence of which Canada's reputation has suffered.

Canadians have been portrayed abroad as being a bunch of sadistic, barbarous people skinning baby seals alive, whereas in actual fact seals are humanely killed. The minister has in fact announced from first hand evidence that seals are humanely killed. I think he would be the first to admit that the killing of these animals is a necessary supplementary source of income for the fishermen of the Atlantic region. A request has been made in the house, and in writing to the Standing Committee on Fisheries and Forestry, to have the whole matter aired before the committee, in order that the facts may be ascertained once and for all.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I was pleased to hear the announcement of the minister and to learn that the very unfortunate circumstances with regard to the seal herd in the Gulf of St. Lawrence had decreased as rapidly as they have. I had the opportunity of visiting that area with the minister. The area of ice off Prince Edward Island was very small in size and I think an accurate count was fairly easy to take. If there are only 6,000 pups left in the area, I think the minister is to be congratulated for terminating the seal hunt. The prime interest in this matter, leaving aside the ballyhoo and all the other propaganda in which certain people have been interested, should be the conservation of the sealing industry. The fact that an accurate count could be made indicates that something happened in the last

year, not only because of weather and fisheries conditions but with the seals themselves, because only a quarter of a million seals came into the gulf when normally there have been a million in the area.

We must make some arrangements through ICNAF or perhaps under a bilateral agreement with Norway as to the taking of seals on the front, because this year seals, rather than coming into the gulf, stayed on the front. The loss of three-quarters of a million seals is a very serious blow to the industry and will be a serious loss if it continues in the future.

I am surprised at the comments of some hon. members who have argued the matter on economic grounds. We are concerned here with an industry and the fact that conservation is more important than this year's catch. If those involved in the industry are in difficulty, and difficulty to our economy has developed, the situation should be handled as an emergency and the government should provide financial assistance to the people involved. But we should not forfeit our right to carry on a reasonable conservation program. Our prime interest should be to maintain the seal herd at a level which will allow harvesting for years to come. The minister will have serious difficulty, and this has been pointed out by other members of the house, with regard to the 12-mile limit and the headland to headland system. There will be difficulty in drawing our boundaries in this respect. Our discussions with Norway in this regard should not only be with the fishermen in the area but at government level in order that we can arrive at a bilateral agreement and conserve seals on the front as well as in the gulf.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I shall be brief in my comments on the minister's statement.

We share his views regarding seal conservation measures.

On the other hand, we find it difficult to understand the insistence of the Minister of Fisheries and Forestry (Mr. Davis) to put an end to what is practically a slaughter of baby seals, a matter much talked about in the house these last few weeks. We do not hold it against him but we are surprised that his colleague, the Minister of Justice (Mr. Turner) does not have in his omnibus bill the same pity for human babies.

• (11:20 a.m.)

[*English*]

Mr. David MacDonald (Egmont): Mr. Speaker, I rise on a question of privilege. In the minister's statement on motions he referred to comments of mine with respect to the size of the herd north of Prince Edward Island. Inasmuch as there might be some confusion, which there seems to be in some of the responses in the house, in the statements both by the fisheries people and the fishermen—the fishermen apparently have estimated from the air on two occasions this week that the seal herd was from 50,000 to 80,000—could the minister arrange for fishermen and officials of the department to get together and look at the herds so that they could clear up this misunderstanding?

Mr. Speaker: Order, please. I suggest that is not a question of privilege.

Does the hon. member for Winnipeg North Centre wish to take part in the question of privilege?

Mr. Stanley Knowles (Winnipeg North Centre): No, Mr. Speaker, I have another question.

BUSINESS OF THE HOUSE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, before we leave motions, I wonder if we could have an understanding about the business of the house for today. I have in mind in particular the desire of the government to get a certain amount of business through, and I wonder if there could be an understanding at this point that the private members hour today will be suspended so that we could use that time for government business.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, perhaps, if the house is agreeable, we could make an order right now that the private members hour today be suspended.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a supplementary question on the matter that has just been raised. Does the minister intend to proceed in the same manner as was outlined last night by

the President of the Treasury Board (Mr. Drury) on the business for today, or does he propose to bring in the superannuation bill first?

Mr. Macdonald (Rosedale): The intention is to proceed with the government reorganization bill, in the expectation that by the early afternoon at the latest it would be disposed of. From there we could go on to the superannuation bill, and in the time remaining to the Financial Administration Act.

ORAL QUESTION PERIOD

HOUSING

DELAY IN APPROVAL OF PUBLIC PROJECTS—AVAILABILITY OF FUNDS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct to the Minister of Transport a question in connection with housing. It arises out of the statement made this week by the Premier of Ontario, that the Minister of Transport has held up approval of public housing projects in Ontario and specifically in the Ottawa area. Will the minister say how soon the country may expect a clarification of the federal government's housing policy and an end to the freeze in effect since last November?

Hon. Paul Hellyer (Minister of Transport): This has already been done to a very large extent. Had the Premier of Ontario consulted his minister in charge of housing he would have found out that I recently indicated to him, in reply to a telegram, that most of the applications which had been pending have been approved. I think there are only two or three which are still the subject of further examination, and in addition one or two with design problems and where the normal criteria had not been met were sent back for clarification of these points. To a large extent all the outstanding applications have been dealt with and we are up to date, with the exception of two or three of the very large projects which do not provide the kind of family accommodation that was considered advisable by the task force and by other people who have studied this subject.

Mr. Stanfield: I have a supplementary question, Mr. Speaker. I should like to ask the minister a question specifically relating to Ottawa, where the fear has been expressed that the city may be left holding the bag with regard to a program involving 1,000 families. Has this situation been clarified and, if not, will the minister undertake to hold an early meeting with officials in Ottawa to ensure that the policy of the government is clear with respect to this project and to enable the city to proceed?

[Mr. Aiken.]

Mr. Hellyer: I will give the same answer. Some of the projects were approved. One or two others where the design was inadequate were referred back to the officials responsible for design improvement. Two large projects which have not been put forward firmly but which are pending are under consideration. These had not reached the stage where a decision had to be taken. I think the statement I made that everything is current applies to Ottawa as well as to the rest of the province and the country.

Mr. Stanfield: A supplementary question, Mr. Speaker. Does the minister say that the officials concerned with this matter in the city of Ottawa have been given an answer regarding this project, that they know exactly where things fit and that the ball is now in their court?

Mr. Hellyer: I could not answer that question, Mr. Speaker, because I am not sure of the channels of communication. I think they have to go back from Central Mortgage and Housing Corporation to the Ontario Housing Corporation, from the Ontario Housing Corporation to the city of Ottawa, and from the city of Ottawa to the public. If that has not happened then it is merely because of communications.

Mr. Stanfield: With respect, Mr. Speaker, I am beginning to wonder whether we are involved here in a housing program or a merry-go-round.

Mr. David Orlikow (Winnipeg North): A supplementary question. May I ask the minister in charge of housing whether he told representatives at the Canadian Conference of Mayors and Municipalities that there would be substantially less money for public housing during the next few years?

Mr. Hellyer: No, Mr. Speaker, I did not indicate that. I indicated that there would be considerable experimentation in this field that is designed to seek better ways of meeting the needs of Canadians in all income brackets, particularly those of limited income, and that we would not close our minds to any suggestion that would improve either the quantity or the quality of accommodation available for people who need it.

Mr. Orlikow: A further supplementary question, Mr. Speaker. Keeping in mind this experimentation, will the minister tell the house whether there will be as much or more money for public housing this year than there was last year?

Mr. Hellyer: Mr. Speaker, I do not wish to give specific figures, but if my hon. friend includes the whole range of options and policies that might be tried in order to provide accommodation for people of limited income, then I think he would be pleased to know that there will be a sizeable amount available for housing, probably as much or more than was spent last year.

Hon. Marcel Lambert (Edmonton West): A supplementary question, Mr. Speaker. I wonder whether the minister would get his communications speeded up so that officials both in the city of Ottawa and in the city of Edmonton could be given a clear picture as to where they stand, in view of the fact that they have proceeded bona fide with their programs and now feel they are left holding the bag, unable to tell anything to the people concerned.

[*Later:*]

MORTGAGE RATE IN LIGHT OF INCREASED PRIME LENDING RATE

Mr. John Gilbert (Broadview): Mr. Speaker, may I address a supplementary question to the Minister of Transport who is responsible for housing. Considering that the prime lending rate has been increased from 7 per cent to 7½ per cent and considering the high yield of Government of Canada bonds, does he anticipate that the N.H.A. mortgage rate as of April 1 will be 10 per cent or more?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I am advised that it will not be that high.

An hon. Member: It will be 9⅞ per cent instead.

Mr. Hellyer: I hope that interest rates will soon begin to decline.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Which year?

Mr. Hellyer: I hope my hon. friends will exercise the restraint required of all levels of government and of all citizens, if this is to come about.

Inquiries of the Ministry

FINANCE

RAISING OF PRIME LENDING RATE BY CHARTERED BANKS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Finance in regard to the announcement by several chartered banks that they are now raising the prime lending rate to 7½ per cent. In view of the fact that this will increase the cost of doing business, and consequently increase prices, may I ask the minister whether he intends to use his very considerable powers of moral persuasion with the chartered banks and ask them to exercise some restraint in the matter of increasing the prime lending rate?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I believe the reasoning behind the banks raising the prime rate is that the prime rate in the United States has gone up to 7½ per cent. Since there are the two alternative places for borrowing, bank rates in Canada have to be pretty much in line.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question. In view of the fact that the profits of the chartered banks increased sharply for 1968 and for the first quarter of 1969, will the minister initiate an investigation into the activities of the chartered banks with a view to seeing whether or not parliament should consider reimposing some ceiling on the interest rates the banks may charge?

Mr. Benson: Mr. Speaker, as my hon. friend knows, the activities of the banks are examined on a regular basis by the inspector general of banks.

Mr. Max Saltsman (Waterloo): A supplementary question, Mr. Speaker. Since the interest rate is not responding as it was anticipated it would when the committee examined banking legislation, will the minister consider referring the Bank Act back to the committee for a complete evaluation and examination of its effects?

Mr. Benson: Not at this point, Mr. Speaker,

Mr. Saltsman: A further supplementary question, Mr. Speaker. Since the banks have raised their rate by half of 1 per cent to their prime borrowers but have only increased the interest rate to depositors by a quarter of 1 per cent, will the minister examine the wide discrepancy the banks have introduced and imposed on the financial system?

Inquiries of the Ministry

Mr. Benson: Mr. Speaker, as I recall the figures, the deposit rate was raised to 5½ per cent and the prime rate to 7½ per cent, which gives the banks about 2 per cent margin on these funds in which to carry out their operations.

Some hon. Members: Oh, oh.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Considering the very, very great increase in bank profits, does the minister consider a 2¼ per cent margin to be necessary now?

Mr. Speaker: Order, please. I suggest to hon. members and the minister that we are now entering the realm of debate and should turn to another subject. I see the hon. member for Broadview rising on a supplementary. I shall recognize him later.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I wish to speak about a fairly well-known matter. I would have liked to ask the minister a supplementary question. So, I rely on your indulgence, for which I thank you in advance.

I have a question for the Minister of Finance, with regard to this last increase. Does he intend to recommend that the chartered banks stop increasing their interest rate, considering the cost of living and the very high rate of municipal, provincial and federal bonds?

[*English*]

GRAIN

WHEAT—REPRESENTATIONS FROM SASKATCHEWAN AS TO PRICING

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce. What was his response to the telegram from the government of the province of Saskatchewan supporting a floor price of $1.95½ for wheat, and a two price system under which the price of No. 1 at the Lakehead until the establishment of the two price system would be $2.12?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I have already answered that question.

Mr. Diefenbaker: No, you have not.

Mr. Pepin: Mr. Speaker, similar telegrams were sent to the Prime Minister, to me and to other ministers by other groups too. An answer is being prepared and will be sent out soon.

Mr. Diefenbaker: Will the minister say whether the answer will soon be available to the Liberal government in Saskatchewan. If not, does he not think that the large delegation of 1,000 farmers which will come here may convince him of the catastrophic position of western agriculture and of the necessity for action?

Mr. Pepin: Mr. Speaker, I am sure when the right hon. gentleman was prime minister of this country that once in a while he had to think for a while when similar requests were made of him.

Mr. Diefenbaker: Is this a case, Mr. Speaker, where the matter will be considered once in a while? Our western farmers have had no consideration from this government.

Some hon. Members: Hear, hear.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a supplementary question to direct to the Acting Minister of Energy, Mines and Resources. Will he provide his cabinet colleagues with a copy of the speech he delivered to the Hamilton East Liberal Association in which he is reported to have said that there is a feeling of isolation in western Canada. Will he support a two price system for wheat, which has been advocated, to reverse the current trend in western Canada?

OUT-OF-CONDITION GRAIN ON HAND

Mr. Ed Schreyer (Selkirk): Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce. In order that hon. members may determine whether the matter of out of condition grain remains a national problem that must be dealt with during the next few weeks, will the minister undertake to make a full report on the volume of out of condition grain still remaining. Will he do that before the Easter recess?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I think the Minister of Agriculture is willing to answer that.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we have been attempting to obtain accurate figures about the volume of such grain and I must advise my hon. friend that there are wide variations in the estimates. We do not know how much has been

fed to livestock during the months since harvest and how much has been dryed on farms. The estimates we have been receiving are widely varied.

Mr. Ed Schreyer: A supplementary question, Mr. Speaker. Before parliament adjourns for the Easter recess will the minister undertake to make as accurate a report as possible on this matter?

Mr. Olson: Mr. Speaker, during most of next week the Agricultural Congress will be held in Ottawa and I suggest to the hon. member that a large number of knowledgeable people from western Canada will attend and give us their opinions on this matter, which will be publicized.

Mr. Schreyer: A further supplementary question, Mr. Speaker. I was asking for statistical information and not for policy information.

SHIPPING

ST. LAWRENCE RIVER ICEBREAKING POLICY

Mr. Thomas A. Bell (Saint John-Lancaster): Mr. Speaker, I have an interesting policy question for the Minister of Transport. Has the government changed its policy with respect to icebreaking in the St. Lawrence, as seems to be indicated by a statement made in Montreal yesterday? If it has changed its policy, in what respect has it done so?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, we have tried to do this as effectively as we can. We are making substantial progress, as technology improves.

Mr. Bell: A supplementary question, Mr. Speaker. Am I do understand from the minister that ice breaking policy as announced by this government and the previous government is exactly as it was before, and that there is to be no artificial assistance to breaking up the ice?

Mr. Hellyer: Mr. Speaker, we have to keep the channel open to prevent flooding, and more and more ships are using the channel for navigation. There is no sense in sparring around on this question.

Mr. Fairweather: Do not talk about flooding, then.

Mr. Hellyer: The fact that the channel has been kept open has aided navigation. I have no doubt it will be used to a considerable extent in the years ahead.

Mr. Bell: A supplementary question, Mr. Speaker. Since there evidently is some sparring around on this question, will the minister make a full, straightforward and honest statement in this house on any change in policy?

Mr. Robert McCleave (Halifax-East Hants): A supplementary question, Mr. Speaker. I ask the Minister of Transport whether consideration is being given to recovering costs of present operations from those shipping companies which are benefiting from this new policy?

Some hon. Members: Answer.

[*Translation*]

AGRICULTURE

DAIRY INDUSTRY—POSSIBILITY OF INCREASED QUOTAS

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to direct a question to the Minister of Agriculture.

Could he tell us whether his department intends to review the policy of the Dairy Commission and to increase quotas in order to allow farmers in eastern Canada to have a progressive production?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I do not know whether we can call it a complete revision. There will probably be some adjustments in the new policy, beginning on April 1. I hope we will be able to announce that before April 1.

AIR TRANSPORT

POSSIBLE RE-ORGANIZATION OF REGIONAL CARRIERS—AIR FARES

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, my question is directed to the Minister of Transport. Is it the intention of the government to reorganize the regional air carriers into one common carrier?

Hon. Paul Hellyer (Minister of Transport): No, Mr. Speaker. The government has no such intention.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I wish to direct a supplementary question to the Minister. Since the United States Civil Aeronautics Board is showing determination in standing up to IATA on the question of air fares, can the minister assure the house that the Canadian government will show similar backbone?

Mr. Speaker: The hon. member for Vegreville.

Inquiries of the Ministry

COMPANY OF YOUNG CANADIANS

ALLEGATIONS BY MR. LUCIEN SAULNIER

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I wish to direct a question to the Acting Prime Minister or the government house leader. Will either minister give an assurance that the estimates of the Company of Young Canadians will be brought before the broadcasting committee to investigate the allegations of Lucien Saulnier, Montreal executive officer, that the C.Y.C. involves a red guard type of operation?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I would point out to the hon. member that these estimates are already before the broadcasting committee. If he would like to discuss the timetable of the committee, he could make representations to the chairman or to other members of the committee.

CANADIAN ECONOMY

ALLEGED INFLATIONARY EFFECT OF C.B.C. AGREEMENT

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a question to the Minister of Finance. As the new wage guideline of 9 per cent increase a year, which was established yesterday by the government when it announced its agreement with the C.B.C., will create a great additional inflationary pressure on the economy, does the government intend to take any steps to counteract this upward pressure on prices?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, it was not a settlement of the government; it was a settlement between a Crown corporation and its employees.

Mr. Diefenbaker: With the Minister of Labour engaged in it.

Mr. Benson: The Department of Labour acted as a mediator in this particular dispute, the same as it does in many disputes coming under federal jurisdiction, and I can assure my hon. friend that we have no idea of increasing inflation by increasing his salary.

Mr. Hees: Mr. Speaker, as the Minister of Labour very proudly announced this as a government achievement yesterday, and as we know perfectly well he had a lot to do with setting this 9 per cent increase guideline, would the Minister of Finance give consideration to giving more sensible answers in the house, rather than the broken record he often substitutes for common sense?

Mr. Speaker: Order, please.

[Mr. Speaker.]

THE BUDGET

REQUEST FOR PRESENTATION IN SPRING

Hon. J. W. Monteith (Perth): Mr. Speaker, I wish to direct a supplementary question to the Minister of Finance. Can he definitely announce whether he is going to bring down a budget in April or May, or some other time, in an effort to try to combat the continuing inflation so seriously pointed out yesterday in the report of the Governor of the Bank of Canada?

Mr. Benson: Mr. Speaker, I have indicated that a budgetary statement, or a statement on our economic and financial position, will be made some time in May or June.

[*Translation*]

NATIONAL PARKS

GASPÉ—PROJECT AT POINTE FORILLON

Mr. Guy LeBlanc (Rimouski): Mr. Speaker, I wish to direct a question to the Minister of Forestry and Rural Development.

The establishment of a national park at Pointe Forillon, in the Gaspé peninsula, was provided for in the federal-provincial agreement on the development of the Gaspé peninsula. Could the minister tell us whether there has been some development in the last few days with respect to the implementation of that plan?

Could he also tell us whether we should believe the report that from now on planning will be the responsibility of the premier of Quebec?

Mr. Speaker: Order. The hon. member knows that he cannot ask a minister to confirm or to deny a rumour or a report. if there is any urgency as far as the first question is concerned, the hon. member could give notice to have it debated on adjournment.

[*English*]

CONSUMER AFFAIRS

LUMBER—REQUEST FOR INVESTIGATION OF PRICE INCREASE

Mr. A. D. Hales (Wellington): Mr. Speaker, I would like to direct a question to the Minister of Transport, who is responsible for housing. In view of the great increase in the price of lumber in the last little while, as much as $15 per thousand board feet in the last six weeks, which has had very serious repercussions on the cost of building homes,

would the minister consider setting up a task force to investigate this increase, and would he also contact the Minister of Consumer and Corporate Affairs and ask him to make a study of the matter?

Mr. Speaker: Order, please. It seems to me that the question asked by the hon. member for Wellington has been asked within the last few days; and so far as the second part of the question is concerned, he is making a suggestion to the minister, and he has to assume that his submission will be taken into account.

HOUSING

THOMPSON, MAN.—AVAILABILITY OF MORTGAGE MONEY

Mr. Robert Simpson (Churchill): Mr. Speaker, I wish to direct a supplementary question to the Minister of Transport. Some days ago he mentioned that it was his intention to make C.M.H.C. mortgage money available in the field of high rise apartment construction in Thompson, Manitoba. May I ask him whether this has now been accomplished, and whether the regional office in Winnipeg has been so advised?

Hon. Paul Hellyer (Minister of Transport): I cannot, Mr. Speaker. There is some reluctance toward making loans for high rise apartment construction, but this is a matter which will be discussed between myself and the corporation in an attempt to achieve the ends desired by the hon. member and myself.

Mr. Simpson: Can the minister say what are the grounds for the reluctance to make these loans?

Mr. Speaker: Order, please. The hon. member for Regina East.

NATIONAL DEFENCE

SUGGESTED REPRESENTATIONS TO U.S. AS TO NUCLEAR WEAPONS

Mr. John Burton (Regina East): Mr. Speaker, I wish to direct a question to the Acting Prime Minister. In view of the Prime Minister's forthcoming visit to Washington and the discussions he will be engaged in there, would he undertake to draw to the attention of the Prime Minister the views of a former Minister of Finance, Walter Gordon, that Canada should renounce the use or possession of nuclear weapons?

Inquiries of the Ministry

A.B.M. PROGRAM—COMMUNICATION BETWEEN U.S. AND CANADA

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Acting Prime Minister. Yesterday the Secretary of Defence in the United States is reported to have given evidence before a Senate committee that Canada was fully advised and informed regarding the new A.B.M. plan of the Nixon administration over a period of days. Will the minister look into this question so that this house may have the truth as to what actually took place, because ministers in the government here said they had no knowledge until the day of the speech by the President of the United States? This is a very serious matter in our relations with the United States.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I think the Prime Minister indicated there had been discussions going on back and forth over many months, or even years, and if my right hon. friend has some question beyond that I will be glad to refer it to the attention of the Prime Minister.

Mr. Diefenbaker: I am not talking about the discussions about the Sentinel plan. I am referring to the new plan that has just been brought into being, or at least promised to be brought into being by the President—not the old plan that was going on for months. Was this new plan brought to the attention of the Government of Canada on several occasions prior to the President's announcement? I want to find out who is actually giving the true facts. Is the Secretary of Defence of the United States, doing so, or is the Government of Canada concealing the facts?

TELEVISION

TRANSACTION BETWEEN GOVERNMENT AND GEOFFREY STIRLING

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I wish to direct a question to the Acting Prime Minister. Is he aware that recent press reports from Toronto have indicated a great concern about the ethics of the transaction between the Minister of Transport and Geoffrey Stirling?

Mr. Speaker: The hon. member for Egmont.

Mr. MacInnis: Mr. Speaker—

Mr. Speaker: Order, please. The Chair has recognized the hon. member for Egmont.

Inquiries of the Ministry

AGRICULTURE

POTATOES—PROGRAM FOR ASSISTANCE OF GROWERS

Mr. David MacDonald (Egmont): Mr. Speaker, I wish to direct a question to the Minister of Agriculture. Can he indicate whether or not the Agricultural Stabilization Board has taken a decision with regard to assisting potato growers, particularly in eastern Canada where they have had a very difficult year with low prices?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, an announcement was made last night that we are going to undertake a diversion program to starch to try to take some of the potatoes out of inventory and strengthen the market.

GRAIN

WHEAT—REQUEST THAT INTERNATIONAL COUNCIL BE RECONVENED

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce. In light of reports that the two day meeting held earlier in London, England, by representatives of major wheat exporting and importing countries on the subject of the threatening price war has not come to any conclusive determination, will the minister do all within his power to encourage the reconvening of the International Wheat Council early in April, as was suggested at the London meeting in order finally to settle this serious problem?

Hon. Jean Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the price committee met in London and decided to reconvene immediately after the meeting of exporters, which is to take place very early in April.

Mr. Southam: As a supplementary question: If it is possible would the minister accompany the Prime Minister to Washington next week, and take his colleague the Minister of Agriculture with him, so that they could discuss this serious situation with their American counterparts.

Mr. Pepin: I am not going but the subject will be on the agenda.

[Mr. Speaker.]

AIR CANADA

EFFECT ON ROUTES OF REGIONAL CARRIERS REORGANIZATION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct this question to the Minister of Transport. In view of the answer he gave a few minutes ago to the hon. member for Dauphin with regard to air carrier policy, may I ask the minister whether there is any explanation for the lengthy report in the press today attributed to a highly placed source in the Department of Transport that there is to be a change in the regional air carrier policy which may affect the routes assigned to Air Canada.

Mr. Speaker: I suggest the question asked is partly in order. I think the question might be asked directly by the hon. member, but that he should not ask the minister to comment on some aspect of a news report.

Mr. Knowles (Winnipeg North Centre): I am prepared to ask the question directly, but I also feel I have a question of privilege in that we are given statements on the floor of the house, brief though they may be, which do not jibe with statements given outside the house by people in the Department of Transport. This goes on all the time. I still think parliament is supreme.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): I ask the Minister of Transport directly whether the government is considering a change of regional air policy, as a result of which five regional lines would be made a national line and given some of the routes of Air Canada.

Hon. Paul Hellyer (Minister of Transport): First of all, Mr. Speaker, I do not think there is any conflict whatsoever between what I said and any newspaper story. If I understood the question correctly, it was whether it was the policy of the government to have one regional air carrier for Canada, and I said no. That is quite correct.

In so far as the newspaper story is concerned, I have no idea what the source of it was. The policy of the government in respect of regional air carrier service is still as it was when announced two or three years ago by the former minister. That policy is in the process of being implemented now. Some routes which have been operated by the main line carriers are being given to regional carriers, and beyond that there is some change and extension of the pattern of regional services.

There is no change in policy at this time. I think the question raised in the article—and I have no idea of the source—was more of a speculative kind, relating to a much longer term, and one in respect of which not only is there no policy, but no serious policy consideration.

Mr. Speaker: Order, please.

Mr. Knowles (Winnipeg North Centre): May I ask a supplementary question, Mr. Speaker. In view of the uncertainty raised by this article, and in view of the confusion still in our minds about the structure of Air Canada vis-à-vis Canadian Pacific Airlines, will the minister at an early date make one of those straightforward and honest statements about the government's whole air policy.

Mr. Hellyer: I think that is quite unnecessary. I just said the policy is as announced two years ago and is in the process of being implemented. If and when there is any change in that policy it will be announced in the house.

Mr. Thomas M. Bell (Saint John-Lancaster): Will the minister give assurance to the house at this time that the Minister without Portfolio and no other member of the cabinet has the matter under study at the moment.

Mr. Hellyer: It has already been announced that the future air policy is a matter of the continuing concern of the Minister without Portfolio. This study will take a considerable period of time and will involve a great deal of consideration on the part of the department, the Canadian Transport Commission and the carriers. No change of any substantial nature is envisaged in the immediate future.

AIR TRANSPORT

JOINT U.S.-CANADA EFFORTS ON IATA SCHEDULES

Mr. Ed Schreyer (Selkirk): Mr. Speaker, my supplementary is not intended to be bantering. However, I should like to ask the Minister of Transport if he can say whether his department is making a systematic effort to work in concert with the United States aviation agencies in order to deal with the problem of IATA air schedules, in view of the United States agencies concerted attempt to deal with this problem.

Hon. Paul Hellyer (Minister of Transport): Both the department and the Canadian Transport Commission are interested in opening up new avenues of opportunity for Canadian air carriers. To this end every effort will be made to make any changes in the rules necessary to provide those opportunities, when this can be done.

TRADE

ONIONS—SHIPMENT TO U.K. FROM MONTREAL

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, may I be permitted to direct a question to the Minister of Transport. I wonder whether the minister would give me an undertaking that he will investigate and report to the house with regard to what I consider to be very serious allegations made by the Ontario Onion Marketing Board that several thousand bags of Ontario onions were recently left on the wharves at an east coast port due to a transport problem. It is alleged that, even though the onions were at the port, two ships sailed without them because they could not be made available for loading.

Hon. Paul Hellyer (Minister of Transport): If the hon. member will give me the details of this allegation I will of course have it investigated.

FROZEN GROUNDFISH—SITUATION IN U.S. MARKET

Mr. James A. McGrath (St. John's East): Mr. Speaker, since this has become a traditional fish day in the house, I wonder whether I might be permitted to direct a question to the Minister of Industry, Trade and Commerce. In view of the critical situation that did exist on the U.S. market vis-à-vis Canadian frozen groundfish, can the minister bring the house up to date on the situation today?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I understand that the prices have firmed up substantially. The last time I looked they were up to 26 cents from a low of 21 cents, as a result of the policies applied by the Minister of Fisheries.

[*Later:*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I have a supplementary answer. I was very kind to the Minister of Fisheries. I think I should be kind to my own department too. The efforts which have been made at the international level I think have been very useful also.

Mr. McGrath: I have a supplementary, Mr. Speaker. Would the minister also be kind to members of this house who have helped him in this regard?

Inquiries of the Ministry

FISHERIES

SALT COD—REQUEST FOR STATEMENT ON FEDERAL PROGRAM

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I should like to direct a supplementary question to the Minister of Fisheries. Is the minister in a position to announce to the house the nature of the new federal government program in aid of the sagging salt cod industry?

Hon. Jack Davis (Minister of Fisheries): I am holding discussions with the industry next week and I hope to be in a position to make an announcement shortly.

[*Later:*]

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I have a supplementary question for the Minister of Fisheries. Will consideration also be given to the salt cod prices to inshore fishermen for 1968?

Mr. Speaker: I submit that the question the hon. member is asking is similar in nature to questions asked by other hon. members and will be taken into account by the minister.

AGRICULTURE

DAIRY INDUSTRY—REQUEST FOR SMALL PRODUCERS POLICY

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, this question is for the Minister of Agriculture. I should like to ask the minister whether the small producers of milk and butterfat who cannot qualify under the present policy, which is favourable to the large producers, may expect a policy announcement from the government, the result of which might mean a boost in their income position since they cannot qualify for subsidies while the larger producers can.

Mr. Speaker: Order. The question is in order only to the extent that the hon. member is asking whether a statement will be made.

Hon. H. A. Olson (Minister of Agriculture): I repeat that a statement will be made before the first of April.

Mr. Korchinski: Will it affect the people I have mentioned?

GRAIN

REQUEST FOR STATEMENT ON DRYING OPERATION

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, this question is directed to the Minister of Agriculture as a follow-up of an earlier question asked today. On February 24 I asked the minister if he could provide the house with information as to the amount of grain to be dried on prairie farms at that time. He informed the house that a survey was being made and that he would be in a position to provide the information. I should like to ask him now whether he can provide this information and whether he will do so before the house recesses for Easter.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I can give the house some indication of the estimates that have been made, but I would caution my hon. friend that these are estimates. It is very difficult to make an estimate of this kind with accuracy, because there is a considerable number of places where this grain has been stored, and indeed where it has been dried.

Mr. Gleave: Mr. Speaker, my question was whether the minister would provide the information.

Mr. Olson: I would be very happy to send my hon. friend the estimates we have now, and he can sort them out in his own mind and decide which ones are accurate.

Mr. Speaker: Is the hon. member rising on a point of order?

Mr. Gleave: It is on a point of order or a point of privilege.

Some hon. Members: Hear, hear.

Mr. Gleave: Mr. Speaker, I am not averse to providing the house with some humour, but I am asking the minister for information. I am quite able to sort out in my mind the situation in western Canada at any time, but I am asking the minister for the result of the survey which he said was being made and the progress that is being made in this regard, because this is an urgent matter.

Mr. Speaker: Order, please. It is hardly a point of order.

Mr. Diefenbaker: A supplementary, Mr. Speaker. In order to help out the minister, are there 83,287,262 bushels in the province of Saskatchewan as yet undried?

Mr. Speaker: Order, please.

Mr. Douglas (Nanaimo-Cowichan-The Islands): On a point of order, Mr. Speaker; surely the minister, who has intimated to the

house that a survey is being made and that he will give the information to the house, should not be allowed now merely to tell a member that he will send him some information and he can sort it out. Surely the house is entitled to the information which the minister has collected. If the minister wants to add an addendum to the effect that the figures are only estimates and he cannot guarantee their accuracy—that is done with most government statistics and is taken for granted—all right, but surely the minister has a right to say he will make a statement on motions and tell the house when he proposes to give this information.

Mr. Olson: Mr. Speaker, the Minister of Industry, Trade and Commerce and I will attempt to put these estimates together and make a statement within the next few days which will be as helpful as possible.

Mr. John Burton (Regina East): A further supplementary question, Mr. Speaker. Since the James Richardson Newsletter has provided a fairly complete summary of the situation would he consult with his colleague the Minister without Portfolio from Winnipeg South?

Mr. Speaker: Order, please.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, I wish to direct a supplementary question to the Minister of Industry, Trade and Commerce.

Could the Minister of Industry, Trade and Commerce tell us if the fact of reminding the house too often and of telling the Canadian public that we have bad wheat, mouldy wheat, proves an obstacle when the time comes to sell wheat abroad?

[*English*]

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION

AUTHORIZATION FOR THE ESTABLISHMENT OF A DEPARTMENT OF FISHERIES AND FORESTRY, AND OTHER NEW DEPARTMENTS

The house resumed from Thursday, March 20, consideration in committee of Bill C-173, respecting the organization of the government of Canada and matters relating or incidental thereto—Mr. Trudeau—Mr. Faulkner in the chair.

The Chairman: When the committee rose on Thursday, March 20, clause 20 was under consideration.

On Clause 20—*Definitions.*

Mr. Harding: Mr. Chairman, I have enjoyed the interesting debate on the setting up of the new Department of Regional Economic Expansion. Before commenting on the department I should like to spend a few minutes outlining some great economic problems facing Canada today.

We in this great country are fortunate to be living at peace with our neighbours and the world. Canada is a very rich nation and our standard of living is one of the highest in the world. Despite our great wealth, abundant resources and high standard of living, there are still many serious social problems which we have not solved. We have in our country widespread poverty, great regional disparities and a disgraceful unemployment rate. A brief outline of these problems might serve as a background for the need to set up the new department.

These problems will not all be solved by the measures contemplated in this bill to reorganize the departments of government. There is widespread poverty in Canada. The fifth annual review of the Economic Council of Canada outlines it very clearly. In fact, it clearly sets out the picture in a 37-page review of the problem. The leading paragraph on this subject reads as follows:

> Poverty in Canada is real. Its numbers are not in the thousands, but the millions. There is more of it than our society can tolerate, more than our economy can afford, and far more than existing measures and efforts can cope with. Its persistence, at a time when the bulk of Canadians enjoy one of the highest standards of living in the world, is a disgrace.

I would like to give a few facts on the extent of poverty in our nation. The lowest 20 per cent of non-farm families received an average annual income in 1965 of $2,263, representing 6.7 per cent of the total income for that year. The average should have been 20 per cent. The next 20 per cent received an average income of $4,542, or 13.4 per cent of the total income.

An answer to a question in the house not too long ago indicated there had been a very recent survey by the Dominion Bureau of Statistics which indicated that 2,753,000 wage earners earn less than $3,000 per year. In reply to the same question the information was given that 997,000 wage earners in Canada have annual incomes between $3,000

and $4,000. These figures indicate that 3,750,000 wage earners, 55 per cent of the total, earn less than $4,000 per year. I agree that income statistics do not give us the entire picture, but they are a very good criterion as to how widespread the problem of poverty is.

There are interesting facts on the problem of regional disparity, the solving of which is one of the main objectives in the new legislation. The latest records for which we have adequate statistics set out quite clearly the terrible difference which exists between various regions in Canada. This is a good time to put the figures on the record again.

In the most recent period for which statistics are available, 1962-64, personal income per capita was $2,025 in Ontario, $1,521 in Quebec, $1,302 in Nova Scotia, $1,167 in New Brunswick, $1,115 in Prince Edward Island, and $1,007 in Newfoundland. This clearly indicates the need for action on the problem of regional disparity. The people of the province with the lowest income receive less than half the per capita income of the people of the province with the best income.

The next point I would like to raise in connection with the subject of poverty is unemployment. As other speakers have pointed out, we have been made aware of this by the Economic Council of Canada. On numerous occasions the council has urged the government to set a maximum limit of not more than 3 per cent. Currently more than 6 per cent of our working force is unemployed. In areas such as the Atlantic provinces the figure is over 10 per cent. In the province of Quebec it is over 8 per cent. In my own province of British Columbia it is well over 6 per cent. This, again, is a tragedy so far as Canada is concerned.

• (12:10 p.m.)

We have three problems in this respect, over-all poverty, the extreme disparity between regions, and unemployment, upon which we are all trying to focus attention. Having briefly outlined these problems I should like to discuss one or two aspects of setting up the new Department of Regional Economic Expansion. Again, Mr. Chairman, I point out to hon. members and the minister in particular that just changing the name of the department will not bring success. We must be prepared to make major changes in our approach to these problems. We must make major changes in a variety of fields.

[Mr. Harding.]

This department could play a major role in solving many of the economic problems facing us at the present time, especially those involving regional disparity in areas where sufficient economic expansion has not taken place. I say again that unless the government is prepared to make drastic changes in its former plans and policies the new department will fall far short of the goals which everyone would like to see achieved.

In 1963 the government carried out a reorganization of departments. The results were not very beneficial, and now another reshuffle is to take place. For example, Bill C-173 brings industry, trade and commerce together in one department. They should never have been separated in the first instance. However, I hope that the reorganization of a number of government departments will result in more co-ordination and efficiency than we have experienced in the past.

The idea of one department being responsible for attempting to eliminate regional economic disparities is a sound one. Our party has been urging it for years. It could at least prevent the costly duplication of attempted services by a number of different agencies. The minister himself showed how costly the lack of co-ordinated action has been so far as the Canadian taxpayers are concerned. The minister pointed out that since 1963 we have spent over $1 billion on various programs, and he estimated we have wasted about half this amount.

As I said before, for years our party has called for over-all direction, co-ordination and planning in every government program so as to make them fully effective. There has never been such co-ordination, as the minister frankly admits. The federal government has never allocated sufficient financial resources to really come to grips with the problem of regional disparity. Now that one department will be in charge of and responsible for such programs, I have no hesitation in endorsing the legislation setting up the department.

The increase in departmental expenditures of approximately $37 million this year means there will not be too great a departure from past policies and programs which have attempted to deal with regional disparities. This must be apparent to everyone, because if more regions are to be brought under the plan the budget should be sharply increased in order to meet the correspondingly greater need.

I would like now to speak very generally about the new Department of Regional Economic Expansion. The department is to take over the designated area program and several other federal programs such as ARDA, the Atlantic Development Board, etc. We find that the total budget for 1969-70 is almost $192 million which represents an increase of $37 million over last year when we add the amounts which were allocated to the various programs being brought under the plan.

We find that under the designated area program established under the old legislation benefits were available for secondary processing or manufacturing industries but not for primary industries. Benefits under the designated area program, which I understand will be in effect for some time even under the new legislation, included capital costs amounting to one-third of those under $250,000, one-quarter of those under $1 million, and one-fifth of those over $1 million to a maximum of $5 million. They also included depreciation allowance.

Under the designated area program there was no assistance for the tourist industry. I understand this is being considered under the new legislation. I am convinced that the tourist industry should be included in any new plan because it has tremendous potential in many areas which are currently classed as regions of disparity. I urge that it be included in the regulations which will be set up under the new department.

For the new department to be successful it must avoid the obvious mistakes made in the past because of the lack of a planned and co-ordinated policy. For the new department to be successful there must be full co-ordination at three levels of government. There must be full co-ordination at the federal level. In my opinion, this entails three distinct steps. First, I believe there should be a formulation and consideration of consistent programs as they affect or are directed toward regionally balanced growth. Second, there must be communication and delegation of authority to federal regional departments. This is essential in a country as vast as ours and it will cut the red tape often found in a central office. If we do not have communication and delegation of authority to federal regional departments, we will find that the program will not be as effective as it should be.

• (12:20 p.m.)

The third point is that there must be a meshing together of specific operations by federal departments and agencies within a region. Again I repeat that this is absolutely essential for full results. Let me give one example. It does not apply to the new department which has not yet been set up. I have been dealing with a problem in the Creston area where three federal government departments were doing various jobs. On checking with the departments I found that each of them does not know what the others have been doing or what their object is in spending money in a certain area. To me this is nonsense and is one of the reasons that many of our programs have failed miserably in the past.

The second area of co-operation must be at the provincial level, and again I contend that this is another necessary ingredient for the success of the program. I feel it is absolutely essential. If there is a failure to co-ordinate the provincial and federal roles in the setting up of projects and the carrying out of programs, we will find that the result will be little short of disastrous. I suggest also that provincial agencies, especially in the regional areas affected, must also be delegated sufficient authority to deal quickly and adequately with most problems. In my view this is a lesser problem at the provincial than at the federal level.

The third area where there must be full co-operation is at the regional and municipal level. Again, to be successful the programs must have the co-operation and the backing of the various municipal and regional groups in the entire area. This includes, of course, the various organizations in these designated areas. In addition to having the support of the organizations they must have the backing of the general public.

I should like to make it clear that I feel the inescapable alternative to effective consultation and co-ordination among the federal, provincial and municipal levels is conflict, confusion, waste, frustration and the ultimate failure of the policy. There must be continous and effective liaison between the federal and provincial levels if the program outlined by the minister is to be fully successful. There are a number of other problems which I would like to raise in connection with regional development. I do not think you can just outline a series of programs unless you are prepared to take other steps. Canada needs a great deal of capital to help finance some of these projects. This is where the need for a Canada Development Corporation arises. The corporation could make sure that funds were

available to help supply the needs of the various industries which may be set up in some of these areas. I am thinking particularly of some of the new growth areas which we will have to study closely.

The Chairman: I regret to interrupt the hon. member but the time allotted to him has expired. Is there agreement to allow the hon. member to carry on?

Some hon. Members: Agreed.

Mr. Harding: I had some other material but I would appreciate another minute or two to complete my remarks. I was going to speak about the Canadian Council on Rural Development but I will let that go until another time. However, I would like to say a word or two about the problem in my own area of Kootenay West. Officials from that area have approached the minister and his department asking that the area be brought under the plan. Currently the area is not classed as one that needs assistance under the area incentive program. But today there is a great need for assistance and direction.

I should like to point out to the minister that it is a good growth potential area. Groups are already working in the Nelson, Trail, Creston and Castlegar areas with the hope that some assistance and direction will be given by the department. The municipalities are keenly interested in the problem. Two regional districts have been set up for several years. The have already done some surveys and planning, and I feel it is essential that the new department assist these areas in the job of planning and bringing in new industries. If this is not done, we will find that in a few years there will be other slow growth regions. This is something that we can and should avoid, and this is why I stress above all things the absolute need for complete co-operation and co-ordination among all levels of government but most of all among the various agencies of the federal government. If the program fails, it could well founder on the lack of a properly co-ordinated policy within the framework of the federal government.

I suggest to the minister that his department give utmost priority to this consideration. If we are to get a full return for the dollars spent, this is one aspect which must certainly be considered. Thank you, Mr. Chairman and members of the committee, for allowing me these extra few minutes.

[Mr. Harding.]

Mr. Muir (Cape Breton-The Sydneys): Mr. Chairman, I am very pleased to be able to say a few words in this debate.

I was very glad that the previous speaker was given a few extra minutes because it indicates that the house is in a rather genial mood today, as it was all day yesterday when the majority of speakers from all parties were allowed a few minutes beyond their allotted time. I think this is a good thing because the legislation before us is most important.

Before proceeding with my remarks I would like to say to the minister that some weeks ago when we were discussing other legislation in the house which the minister was piloting the minister, as the result of some unkind words I said regarding his activities in connection with that legislation, became rather disturbed and irked and his blood pressure went up, as does the blood pressure of most of us at such times. However, today he looks calm and collected and does not appear to be upset. In fact he is genial and serene, and I hope he will not take anything I say too much to heart.

I do not intend to go into great detail on this legislation dealing with the new Department of Regional Economic Expansion other than to point out that if the elimination of economic disparities is desirable it is equally desirable that all the tools for that purpose be placed in the same hands. So far as the minister is concerned, this bill places the tools in his hands. It remains to be seen whether he can finish the job. Even if he only starts it, that will be something.

• (12:30 p.m.)

The bill is a perfect example of the way in which government action leads to an increasing commitment of public funds with no appreciable increase in benefits. However, no one objects to a commitment of public funds as long as we get results. The department, as would appear from the estimates for 1969-70, seems to include what formerly came under ARDA and P.F.R.A., plus a few other scattered programs, with the National Capital Commission thrown in as political makeweight, the Cape Breton Development Corporation, some remnants of the Department of Labour not quite defunct, and various powers and authorities formerly under the Department of Industry. It will also include the Atlantic Development Board which now finds itself reduced to being a mere sounding

board. In pursuance of this reorganization the new department will, we are told:

1. Encourage economic expansion in regions where growth is lagging.

2. Prepare development plans and programs.

3. Recommend special areas for action to improve economic growth.

4. Enter into agreements with the provinces to provide for economic expansion.

5. Build up the economic infrastructure of areas.

6. Provide special incentives to commercial undertakings.

These various programs will cost Canadian taxpayers approximately $150 million this year—evidence of a fairly dramatic expansion. Under this government we have seen the inauguration of direct grants to industries through the area development incentives program, and in 1967 the ceiling was raised to $200 million.

The hon. member for Halton yesterday spoke about the migration of young people from the Atlantic provinces. I shall have something to say about that, but before doing so may I comment that the present government spawns new departments like mushrooms in a damp basement. Problems cannot be solved simply by changing nameplates on doors. Nothing has been done for our young people. There has been no leadership, no policy. We see a generation of young people whom we have allowed to be assaulted by narcotics, bombarded by propaganda, overcome by violence, intimidated by mobs. And we think we have done right by them. Meanwhile, the government goes on walking in its sleep.

In spite of constant reorganization and reshuffling, no attention has been paid to the challenge of youth, none to the demands for the expansion and development of natural resources. The most serious situation in this country today is that created by the lack of challenge for young people. This bill does not deal with the problem. It adds nothing new. It takes existing divisions and sections and rearranges them. This is the third or fourth government reorganization since 1963. We have seen reorganization piled upon reorganization, reshuffling on top of reshuffling. The Department of Industry came on the scene with a great fanfare of trumpets. It has apparently been a colossal failure and is to be buried within the Department of Trade and Commerce. Now we are setting up a department which is to carry on the policy of making grants to industries to enable them to establish themselves in certain areas or to stay in areas where they are already established. The news handout from the minister's office puts it this way:

> The area development incentives program is to continue, but additional assistance will be available if special circumstances make it necessary to help a commercial undertaking establish, expand, or modernize in a special area. Such additional assistance will be available only if it is essential to the implementation of a development plan.

This seems to imply that there are some reservations. The suggestion is that the area development program will go on and that grants will be made to industry though perhaps under more restrictions than formerly. In the case of a department which will be spending large amounts of public money it is well not to begin operations under reservations or without a clear idea of what is entailed, what the purposes are, and what methods are to be followed. After all, the policy behind this department is one of direct intervention in and interference with the economy. There is nothing new in this. It is being done in the form of incentives rather than by way of compulsion. If it were being done by compulsion, it would amount to straight regimentation. Instead, it may represent a kind of fiscal regimentation. Whatever the philosophy behind it is, we should be clear about the likely effects of what is proposed. This is one of the problems raised by the bill before us; there is no clear indication of how effective the procedure is likely to prove.

Let us face the fact that under the area development incentives programs brought in by the government 18 months ago the procedure proved ineffective. We know it has been ineffective because the minister said so himself. Yet this same procedure is now to be employed by the new department. The area development incentives program is to be carried on, according to the statement from the minister's office, and direct grants are to be made to industrial organizations to persuade them to do what the government thinks they should be doing. This is a situation calculated to cause some misgiving in the light of the minister's statement during the federal-provincial constitutional conference. I draw attention to the following report which appeared in the *Globe and Mail* of February 13, not long ago:

> The Area Development Act provides for grants to industries which establish in sections designated by the federal government as slow growth areas.

Mr. Marchand said the legislation had not worked as expected. Some industries which had benefited from the incentives would have moved to the area without them. Others had overexpanded as a result of the incentives.

The minister will no doubt remember those remarks and certainly those who witnessed his appearance on television will recall them. I continue to quote from this account in order to refresh his memory:

Mr. Marchand said the federal government's future regional development programs would concentrate on identifying regional growth centres and stress development in them.

He said the policy would mean that other small centres in the same region could not expect the same assistance and called on the provincial premiers to help him sell the program to the people.

Further, the article states—this is very interesting and I am reading it because of its importance:

We need political strength to resist pressure. All the villages, all the small towns in Canada want to have industries, want us to spend money for infrastructure, and so forth—

Previous federal efforts in regional development had often spread money too thinly and tried to cover too large a territory. It was necessary to take into account natural economic forces and concentrate efforts in a few natural growth centres.

This gives an idea of the approach being taken by the minister and his department. It is an interesting and significant one and it is of great relevance to the consideration of this bill. For two years, according to the minister, we have been following an accelerated program of handing out money to industry for the purpose of stimulating expansion in slow growth areas. The program has not worked because industries are in many cases more interested in suiting their own requirements than in participating in government economic plans. This is not entirely unexpected. In effect, the minister is saying that despite the fact his policy and programs did not achieve the desired result they are to be repeated on an even bigger scale. At least, this is what it sounds like. I hope this is not really what the minister is saying because I have too much respect for the hon. gentleman as a man of constructive ideas, and as a trade unionist, to want to see him led down the garden path.

Surely we should be able to get a clearer picture from the minister and the department. We have been told, in effect, that to a large extent industry will go its own way regardless of government incentives which may be offered. Today, it appears that the government, or its experts, or the brains behind the minister, have decided that because of the difficulties attached to getting industry to conform to patterns laid down in Ottawa, the department is to select certain areas where growth is already manifesting itself and move in there. This looks to me like following the path of least resistance. Surely it ought not to take a whole new department and the expenditure of hundreds of millions of dollars to decide we should go into natural growth areas, areas in which I presume growth is already taking place, to spend money.

The minister asked the premiers to help him sell the program to the people. I am asking the minister to sell the program to this house, to dispel some of the doubts engendered by his own statements and by statements emanating from his department.

• (12:40 p.m.)

I would also like to hear what the minister means by economic infrastructure. That phrase appears in his statement and in the statement issued by his department and, like charity, it seems to cover a multitude of sins. It is important that we should all be talking about the same things. I would like to know, in addition to the grants to industry, grants to provinces and arrangements with provinces, what additional undertakings are implied by the word "infrastructure". How far is the government going under this legislation? What kind of economic infrastructure is envisaged? Are we talking about facilities, transport, roads, railways? I think we should be very clear on what we are discussing, and I would ask the minister to deal with some of these points when he replies.

What we should have is a very clear picture of how these powers will be applied and how these functions will be exercised. We were able to spend very large sums in the last few years without securing the desired results, but let us not repeat that process. If we are going to simply follow the line of least resistance and go where growth already exists and industries are already established, then where is the case for this new department?

One of the dangerous and negative developments in this government has been to allow nature to take its course and simply speed up the process. That is not policy; it is simply greasing the skids, as the government is doing in the case of the eastern Canada farmer.

This is another area where the government has fallen down completely. Again we have organization and reorganization. We have had

enough paper programs to ensure the prosperity of the paper industry for many years to come, but little assistance for the farmer. The way in which farmers in Ontario, Quebec and the Atlantic provinces have been written off under this government's policies is an utter scandal. In pursuit of the policy of creating an urban proletariat the government has given the eastern farmer the choice between starving or lining up in city welfare offices. We now have the most recent study of the Atlantic Development Board forecasting further declines in agriculture in the Atlantic provinces. We did not need a special study to tell us what everybody knew. This government is now specializing in the obvious. It is all right to produce study upon study, report upon report, task force after task force, reorganization after reorganization, but when are we going to have some solutions? Farming in the Atlantic provinces has been reduced by half the number of farms since 1961. Is this a record of which the government can be proud? Their whole policy is negative and destructive. It does not require genius and the expenditure of millions to tell the farmers to get off the farm. The government should be producing policies to help the farmer stay on the farm, such as the establishment of agricultural institutions and vocational training schools in rural areas, building better roads, giving assistance in marketing products and so on.

No one can tell me that a farm family is better off on welfare, adding to the total of urban poor, than on their own land. Yet the policies of this government have followed the incredibly fatuous course of thinking that the farm problem can be solved by adding to the urban poor. They have now decided that the problem of the urban poor can be solved by wiping out government housing projects. They have decided the problem of slow growth can be solved by concentrating on the fast growth areas.

This government produces high-sounding policies and programs, the net result of which is to aid and abet the destruction of our society. The government has done absolutely nothing about the rural poor, the urban poor, the homeless, the farmer on his land a prey to the high-tax, high-spending inflation spawned by a government incredibly mediocre in performance and execution. Canada cannot long stand being saddled with policies having as their aim the destruction of a whole class of people, the self-employed in this nation.

When one considers that, according to the Atlantic Development Board, the total number of maritime farms decreased from 52,600 to 24,700 in the ten years prior to 1966, then one has an idea of the scope of the problem. We have had huge, pretentious, expensive programs aimed at the eastern Canada farmer, programs that remained largely paper programs, and the best thing the government hs has been able to do is to tell the farmer to get off the farm and line up in a welfare office in the city. The same course is being followed in the Atlantic provinces with regard to the fishing industry.

It does not take massive programs and huge commitments of funds simply to follow the current; we have got to have development programs. What we need is a department and a minister to push such programs, particularly in the Atlantic provinces and Quebec.

Achievement will not result from simply following the line of least resistance. I say to the minister that success in this field will not come instantly. It will be a long and perhaps painful process. It can be achieved only by orienting in one administrative capacity the various authorities required to bring about profound economic transformation. The minister is being given the power; I know he will do everything he can to use it constructively and wisely.

By this bill, as I understand it, the minister is given authority over agricultural development through ARDA, P.F.R.A., Maritime marshland rehabilitation, the Atlantic Provinces Power Development Act, and so on. He will thus be responsible for rural development and will have the legislative power and authority to produce effective programs. He will have the power to encourage industry to go into areas where it is needed to provide employment. He will have the facilities to bring about widespread economic rehabilitation of lagging areas.

In the exercise of those powers, in the eradication of rural blight and the stimulation of economic expansion, the minister can count on the sympathy and understanding of every member of this house, particularly those from the Atlantic provinces where unfortunately regional disparity has its home. In that respect I must express my regret at the downgrading of the Atlantic Development Board and its demotion to an advisory body. I hope the minister will see fit to give every encouragement to this body to examine into and recommend solutions to the economic problems of the maritime and Atlantic region.

I should like to say to the minister, through you, Mr. Chairman, that I was most pleased to hear of his appointment of Professor Smith as chairman of the new board.

We have seen what can be done in the example of the way Sysco has been functioning under provincial management. To the uninitiated, Sysco is the Sydney Steel Corporation, a crown corporation set up by the Nova Scotia provincial government. If we had half a dozen Syscos in Nova Scotia and Cape Breton, our economic problems would be infinitely less serious. Unfortunately, we have not. Perhaps with the full power of this legislation behind him the minister can take steps to bring that about.

At this time I should like publicly to go on record as lauding the accomplishments and being very enthused about the efforts of the steelworkers at the steel plant in Sydney, as well as the union and management. The fine work they have done since taking over and operating the steel mill at Sydney has made it, through co-operation, the success it has been.

Some hon. Members: Hear, hear.

Mr. Muir (Cape Breton-The Sydneys): We know what eastern Canada and other parts of Canada went through under Dosco, the Dominion Steel and Coal Company. It nauseates me even to mention Dosco so I will say no more about it at this point.

• (12:50 p.m.)

In conclusion I should like to say to the minister that once the department is launched and commences operation I hope he and the department will not embark upon a great series of studies, because it is doubtful whether any area of the earth's surface has been studied as much as have the maritime provinces by successive federal governments. There have been studies on every aspect of flora and fauna of the Atlantic and maritime provinces. There have been oyster studies, shrimp studies, frozen groundfish studies, bloater studies, studies on coal, on the tourist industry, on family formation, on agriculture, on every aspect of social and economic life in those historic provinces. We have been practically studied to death. As a newsman stated the other day when writing about these studies, the poor lobster has been studied so many times by successive governments that this has caused the lobster when mobile to move in reverse.

It would not be accurate to say that the studies have produced nothing. They have produced mountains of paper. The maritimes would have benefited more from government action if the government had decided to bring about even a 20 per cent reduction in freight rates. We did not need all these studies. According to a return tabled the other day in answer to a question by the tireless hon. member for Cumberland-Colchester North on the subject of studies, hundreds of economic and social studies have been undertaken since confederation. In the field of agriculture there have been 54, in fisheries, 38, in rural development and forestry, 22, and in trade and commerce, 4. Two transportation studies have been undertaken and we have had 13 royal commissions and other commissions. Altogether there have been 133 studies, reports, commissions and investigations of one kind or another in the Atlantic region since confederation.

Before I resume my seat may I say to the minister: for heaven's sake, do not begin another series of studies and task forces. Surely the government has enough information to be able to act. We want the minister and his new department to bring about a rejuvenation of the Atlantic provinces, and our people will assist him in his task. We want industry and we want assistance, but do not think of us as poor cousins who want to cry on the shoulders of the rest of Canada. The Atlantic provinces have contributed to confederation in a great many ways. I wish the Minister every success in his endeavours with his new department and look forward to his co-operation.

Mr. Marshall: Could Your Honour call it one o'clock?

The Chairman: Is that agreed?

Mr. McCleave: Mr. Chairman, I only wish to speak for about five minutes and if the committee would consent to my speaking at this time I could be out of the way, so to speak.

Mr. Knowles (Winnipeg North Centre): We would not want that to happen.

Mr. McCleave: I thank the hon. member for his interjection and hope it is recorded in *Hansard*.

The point I wish to raise concerns the continuing smooth flow of certain operations which may be interrupted as a result of the demise of the Atlantic Development Board

and the setting up of the new department. I raised this matter the other day during the oral question period and I wish to reinforce my argument at this time. It is important for the provinces to know exactly what sort of assistance is to be provided under programs that the Atlantic Development Board has carried on in the past. For example, federal sharing in the cost of highway construction has brought tremendous advantages to Nova Scotia and to other provinces as well, no doubt. The minister ought to answer immediately whether past programs are to be continued, because plans for highway construction are usually well under way by this time of year and the actual work is carried out mainly in the summer and fall.

I hope the minister will listen to the good words of advice in the swan song of the Atlantic Development Board to the effect that programs should not be allowed to grind to a halt and that there should be a quick transition in responsibilities so that the new department may carry on the work of the Atlantic Development Board. We hope that the minister will reply to this question today. Will he also indicate whether another important recommendation of the Atlantic Development Board dealing with the metropolitan water supply for Halifax and Dartmouth will be proceeded with, as the board suggested during its last meeting it ought to be? Of course, the board has made other recommendations to the government about various projects, some of which have still not been acted on. I urge the minister to say today whether those programs, carried out by the Atlantic Development Board, which have been of great assistance to Atlantic Canada are to be continued.

The Chairman: Order, please. The time being one o'clock I do now leave the chair until two o'clock.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2 p.m.

Mr. Reid: Mr. Chairman, I want to say a few words about this bill and to commend the government for having introduced it. I think I should first state that I am quite happy to see the very wide powers which are being given to the minister. I am glad this legislation does not tie him down too much as previous legislation tied down ministers responsible for regional development.

Before getting into the burden of my remarks I would like to say a few words about the former area development agency and to indicate some of the difficulties associated with it, particularly as they affected my constituency and the region from which I come. My first criticism is that it was far too inflexible a piece of legislation. Boundaries were set by the Canada Manpower agency boundaries, and often these had little or nothing to do with the economic regions around them. Consequently a variety of situations arose in which bordering areas lost employment and manpower to areas which, through a quirk of fate, came under the area development agency.

In addition, the former A.D.A. did not take into consideration the local resources which were available in the various regions. It was a universal program. It was not really designed to seek out areas which had something to offer if only they could get a spark of help. It was reasonably successful in rural areas which happened to be designated in isolation and had no competing areas near them.

My third criticism of this program is that it was directed almost wholly to urban and industrial areas and did not really take into consideration the difficulties which rural communities have in attempting to attract some form of development to them. It is a fact that the program was most successful in those areas which were close to urban communities that had a substantial urban industrial base.

I know that when the minister took office in his new portfolio the first thing he did was to amend the A.D.A. legislation in such a way as to permit growth centres within regions to participate in the area development program. I think it is a legitimate criticism of the former program that where you had a growth centre in a particular region it was excluded from the benefits available under the area development agency. This situation has now been corrected. Now that growth centres seem to be the latest economic panacea we will see if this idea works as well as its professorial theorists seem to think it will.

I understand that new legislation will be brought down, hopefully by the end of June, to redesign the area development agency program. I hope that when this legislation does appear it will be far more flexible than the former legislation. The reason for this is simply that all parts of Canada are not equal. In

the regional distinctions which must be made, or in the provincial distinctions, there are a variety of conditions with which the legislation must deal. I think one example will suffice to show this. That example would be the situation in the maritime provinces, say, Nova Scotia, where almost all of Nova Scotia with the exception of Halifax was designated under the former legislation. Now that Halifax has been included, I think the program has a chance of being some good to Nova Scotia.

• (2:10 p.m.)

But in the area of northwestern Ontario, which is part of a very large province, there was no designation at all, and because great areas in Manitoba were designated industry which might have been attracted to our area flowed to Manitoba. In addition, the province of Manitoba at that time had a particularly vigorous development fund which worked against what we considered to be our interests.

The problem in one case was that the whole province of Nova Scotia was committed to a program of regional or provincial development, whereas in the case of large provinces like Ontario and Quebec large areas were ignored, sometimes because of internal problems within the provinces. When this new legislation is brought down I hope it will have sufficient flexibility to recognize these very real problems and distinctions that are found in the various parts of our country.

In returning to the legislation before us I should like to say that I am quite pleased with the powers given the minister under clauses 25 and 26. In particular, under clause 25, subclause 2, I am happy to see that the minister not only is given permission to cooperate with the provinces but also the clause provides for the participation of persons, voluntary groups, agencies and bodies within these regions. I say that because recently in the province of Ontario the government tabled a series of 13 regional development programs. One of these programs concerns the area of northwestern Ontario. It is entitled "A Five-Year Development Program For Northwestern Ontario", and was produced by the Northwestern Ontario Development Council.

Basically the primary recommendation of this study is that there be a public corporation strongly financed by the province to spearhead a massive effort to expand the region's economy and population. This corporation, modelled somewhat, I believe, along the lines of the Atlantic Development Board, would have the power to designate growth areas, general use areas, highways and roads and would have power to provide incentives for industrial expansion. It would promote a regional consciousness and spirit and encompass other activities related to the betterment of the northwestern part of Ontario. It was suggested that the executive or board of directors would be appointed half by northwestern Ontario municipalities and half by the provincial government, with capital provided, of course, by the provincial authority and/or, I would add, the federal authority because I believe it is quite clear the federal government will have to participate in this project if it goes ahead.

In our area we are also awaiting the report of an ARDA study which was commenced about two years ago under the federal-provincial ARDA agreement. When this project is completed, we hope some time in September, we expect we will have for northwestern Ontario a basis on which we can develop a sensible regional and economic development plan. I would be the first to admit that this will not solve all our problems. Indeed, I think there must be a considerable restructuring of local government into a regional form. There must be some power which has authority to control land use and bring about proper development patterns. Something must be done about the increasing multitude of municipalities with which we have to deal and which I think tend to weaken us economically, socially and politically.

In retracing my steps a little, Mr. Chairman, I should like to read to you the goals set up for the Northwestern Ontario Development Study:

1. Northwestern Ontario should seek to increase its population as rapidly as possible.

2. This population should be concentrated as nearly as is socially and economically possible, given the requirements for new economic activity, in as few urban centres as is possible.

3. The region should achieve a level of socio-economic excellence second to none.

I might say that these goals were not created by the consulting firm which did the study but instead were the result of a series of teach-ins, if I might use that term, at the Quetico training centre and in the various communities which make up northwestern Ontario. I think these are goals to which all the people of northwestern Ontario subscribe. I believe also that the concept of a public development corporation is accepted by the people of northwestern Ontario.

It is quite clear to me that the provincial and the federal governments have not enjoyed the very close co-operation one might expect in the growth of a new and developing economic structure in a region such as northwestern Ontario. In Ontario, at the present time, we have reached the point of absurdity in that we have the federal government's area development program operating under certain guidelines, but since this program was not accepted by the people of Ontario the provincial government was constrained to bring forward its program for equal opportunity. The result is that the provincial government and the federal government are both providing subsidies to industries locating all over Ontario with the exception, I believe, of within a 50-mile radius of metropolitan Toronto. Here we have the two governments not acting in concert but operating on a different basis with the consequence that neither program really has produced the results we had hoped for.

If the northwestern Ontario five-year development program is accepted by the province, it would seem to me that there would have to be very close co-ordination between the provincial and federal governments. I hope the minister will not take the attitude that was outlined in respect of ARDA. I believe one of the great defects of the ARDA program was that the areas which needed help were those which suffered most from depopulation or which suffered from an outflow of population. To some extent these areas lack the ability to self-start by producing the kind of pressure on governments which cannot easily be ignored. In addition, the problem is intensified by the great political divisions which exist within these regions. It is impossible for members of parliament and provincial members to properly represent all aspects of the areas simply because of the built-in conflicts in the size of the ridings.

I hope the minister will be much more aggressive than his predecessor. I hope he will seek out areas which require assistance and see that they are given assistance so that this development program may help them grow and make a contribution to the whole of Canada. Up until this time this has not been the case.

I do not like to be parochial in a debate of this kind. Nevertheless there is one other aspect of this matter which I should like to bring to the attention of the minister. I feel that the hon. member for Hull will agree with me that this is a problem in his area also. I want to speak about the situation in Kenora-Rainy River because of its location on the periphery of Ontario. We are closer in some aspects to the province of Manitoba than we are to the province of Ontario. Our economic and social connections are with Manitoba but our political connections are with the province of Ontario. To some extent this is a condition which will not be solved easily. Nevertheless it is a real factor in respect of our existence in northwestern Ontario.

An hon. Member: Separate.

Mr. Reid: I will get to that later. For example, it is easier to get to my riding from Winnipeg than it is from the Lakehead. In many ways we feel cut off and isolated. We have the feeling that it is impossible for us to do what we want to do for ourselves. When the minister is involved in developing these regional programs I hope that he, the officials of his department and the provinces concerned will look into this problem very seriously when formulating policies. One very serious defect in the Northwestern Ontario Development Council's study is that it does not take into consideration this very real fact of life in Kenora-Rainy River. It completely ignores it. This is not a reflection on the consultants who did the study; it must be pointed out that it was not part of their terms of reference and consequently they did not consider it.

One other aspect with which I should like to deal concerns the question of regional communications. It seems to me that before one can develop an economic plan for a region or even reorganize on a regional basis there must be some form of regional communication. In the case of northwestern Ontario as a whole there are none. There is not one radio link which covers all of northwestern Ontario. There is not one television link which covers all of northwestern Ontario. There is not one paper which covers all of northwestern Ontario as a basis for the people to obtain their regional information.

• (2:20 p.m.)

It seems to me that if the minister is serious about regional economic problems, he will also have to take a hand in fashioning regional development communications. I know this is an area in which the C.B.C. could play a role and in which the minister could use his good offices, if I may use that expression, to encourage regional link-ups so that communication can flow throughout the

various regions. There is no sense trying to do this type of programming in a vacuum. There must be communication between all areas so that they know what is going on. If you can communicate from one area to another, you can very often break down the local parochialism which very often slows down development programs, no matter how carefully worked out. I regard this as a great priority in northwestern Ontario.

In conclusion, Mr. Chairman, I want to say I am quite pleased with this bill. I am delighted with the way it has been prepared in that it has a minimum of restriction on the minister and gives him the maximum of opportunity to refashion many of our rural areas. I am delighted with the prospect of new legislation with regard to the area development program. This legislation should be flexible, taking into account the regional difficulties in this country. The minister must pursue his objectives with vigour. His programs should always work in concert with provincial ones.

If this type of regional program is successful, I am quite certain it will not be necessary for northwestern Ontario or Kenora-Rainy River to separate from the province of Ontario and establish a new province or join with Manitoba. We will be able to do the job we want to do, provided the two senior levels of government, federal and provincial, give us the tools we require.

Mr. Marshall: Mr. Chairman, I welcome the opportunity to speak today and offer my comments on that portion of Bill C-173 dealing with the new Department of Regional Economic Expansion. It is not my intention to criticize the intent of the government in creating this new department. The idea is good. I have said so time and again when speaking to my constituents, but I am getting very impatient with the tardiness of the government in implementing some of the programs which they keep preaching about and the words of wisdom they expound which they say will cure the ills of regional disparity. The programs they are introducing are good. They were good programs under the Department of Forestry and Rural Development and the mere changing of the name is not suddenly, as if with a magic wand, going to accomplish the aims and objectives of these programs.

I have tried to take a serious interest in all phases of the government's policies with regard to rural development since coming to parliament because it was my sincere opinion and belief that the incentive programs under the act were of real value to the provinces in the Atlantic region, especially to the province of Newfoundland where incentive programs to lift the economy are so critically required. In the six or seven months that I have been here I have tried to gather together as much information as possible with regard to the Department of Forestry and Rural Development to determine the application of its benefits to those areas of Canada where these programs are best suited.

In the past six months I have obtained considerable information in the form of pamphlets, booklets, studies and reports, each one of them compiled or written by the supposedly greatest brains in the country, stating how to overcome regional disparity and how to develop natural resources. Almost daily I receive notices of experts, professors and scientists being brought in by the government to solve all of our problems. Mr. Chairman, the mandarins are coming! The government is stealing industrial experts from firms across the country to advise the government. Almost daily I receive copies of speeches made across the country by the Prime Minister, the minister of the department and also by those ministers who try to get into the act at every opportunity. If I quoted from all of them it would take me all day. I will quote from just a few recent ones. At the federal-provincial conference the Prime Minister stated:

> A new constitution for Canada should start by stating objectives ... and one of them should be to promote equality of opportunity for all Canadians in whatever region they may live—

Yesterday the minister amplified that statement when he said that everyone should be able to earn a living comparable in standard from sea to sea. When speaking about this new department the Prime Minister also stated:

> This will mean establishment of a department charged with the objectives of ensuring that people in all areas and regions of our country have as equal access as possible to the opportunities of Canada's economic development.

They have all the answers, Mr. Chairman. They have been preaching words of wisdom for many years. I have all the answers in my office, but they are only on paper. They are in beautifully bound pamphets which are written in the most glowing terms. I have pamphlets on regional planning for depressed areas, establishing new regional organizations, stimulants to social development in

slow growth regions, the Canada land inventory, water development, the role of education in rural development, the ARDA program in relation to recreation and tourism, views on rural development in Canada special study 1, special 2 and all the numbers, the second report on regional development and many more.

I have most of the incentive programs, such as incentives for industrial location, the Canada development agency, municipal development loan boards, the Atlantic Development Board, the Industrial Development Bank, and small business loans. They also have the answers on productivity in agriculture, farming and fishing. They are all on paper, Mr. Chairman. The government has its new programs and also M.M.R.A., P.F.R.A., ARDA, ADA and FRED. They have the whole family, Mr. Chairman, all on paper and maps.

Surely by now these programs have had their day in court. Royal commissions have finished their work, task forces have covered all the ground, and this is the time for action. But the government is again changing names, dialoguing the studying. Now there is a new word. The government is now interrogating.

Before doing anything about our own regions the government has gone looking for new ones. They found one in Latin America. They have gone junketing off to look at and solve the problems of other countries, but they have not solved their own. They are going to attempt to solve the problems of Venezuela, Peru, Colombia, Chile, Argentina and Brazil. But in their own backyard they are going to conduct more studies and more reviews. The government keeps insisting there is no money available to develop the poor provinces, but they have the money for foreign countries. They have money for the needs of Latin America for telecommunications, airport construction, mining, forestry and fishing equipment, hydroelectric equipment, grain storage facilities, pulp machinery, specialized aircraft, nuclear reactors, road and railway equipment and educational equipment. The government has found $75 million for a subway in Caracas, Venezuela, but they cannot afford a causeway for Prince Edward Island. They can find money for telecommunications in Latin America when communities in Newfoundland do not even have a telephone in this day and age of satellites. They keep closing down post offices in isolated communities even through they are the only source of communication. This is done to save money.

They can find money for the government of Paraguay to finance highway feasibility studies, to lend to the government of El Salvador for the construction of major ports. They can even find money to lend to the Central American Bank for Economic Integration to finance projects in Central America for highways, industrial parks and other things.

• (2:30 p.m.)

Two hundred and eight and a half million dollars have gone to countries in foreign aid. It is referred to as the flow of financial resources to less developed countries. I wish I could find the river they are talking about so I could change the current.

I like the terms the government of the day use when they speak of involvement. I refer again to the Prime Minister's speech. He said that any plan will not work without the close involvement of the people on the spot—the minister called it participation of local areas—and that the department in Ottawa needs the full involvement of local people just as much as they need the federal government's help. These are empty words.

Where is the $305 million FRED program promised for western Newfoundland? It was supposed to start last fall, according to the premier of that province. Then it was supposed to start this spring, and then it was to be delayed because of the pending change of the name of the department. Now I find that the new department will have to look at a new plan for Newfoundland. But where is the report that was presented by the province of Newfoundland to the federal government? How can the people get involved when they do not know the first thing about the projects that are contemplated? How can they participate when no one has asked them to do so? Why the secrecy in respect of the report? Let the people know so they can become involved, if that is the advice of the minister.

So far as Newfoundland is concerned, FRED is dead. The people of Newfoundland have suffered another disappointment. I understand that the Prime Minister will be in the province in the near future. I hope he will give them the reasons for cancelling the FRED program. I am sure that he will tell them about their human rights, that they should have the same opportunities as everyone from sea to sea. He will dialogue, he will tell them to get involved, he will probe and he will interrogate. I hope they listen, because they are just a little fed up with promises.

It is not my inclination to be so critical, but the people of Newfoundland are becoming impatient. I apologize for being parochial but I just have to be. I accept the principles of this new department and suggest to the minister that in the riding of Humber-St. George's-St. Barbe there is a development potential which is tailor-made for his programs. I wish to emphasize that it has resources that will not mean handing out dollars with no return. I ask the minister to take a good, hard look at the natural resources of the province and make an investment which will return a hundredfold.

The west coast of the province of Newfoundland has resources which are not realized. It has a potential that, if exploited sensibly, could revitalize the economy of that province in all phases of development. But I hope the studies have all been done; I hope all the research is completed. We have had enough procrastination. What we need now in implementing regional economic expansion is **action.**

Mr. Schreyer: Mr. Chairman, I want to say at the outset that many members on this side of the house have immense respect for the Minister of Regional Economic Expansion. I am certainly one of those. Even that great character analyst, Judy LaMarsh, has had favourable words to say about the Minister of Forestry and Rural Development, the new Minister of Regional Economic Expansion, and if she had something favourable to say about him I suppose that in itself is an indication of something important. However, the fact that I have admiration and respect for and confidence in the minister does not mean that I do not have some rather harsh and critical things to say to him.

In the first place, I take exception to the statement the minister made yesterday during the introduction of this part of the bill. The minister said that the introduction of this legislation to form the new department was a very important occasion for Canadians. I think the bill in itself means absolutely nothing. What will become important are the policies and actual work carried out by the government in the course of the next few years with respect to the problem of regional disparities, particularly in income.

There is no point in saying that the organization of the new department is important when we know full well, as the previous speaker has just said, that in the past few years we have had rather impressive-looking legislation on the books which has not been translated into anything particularly effective. This has happened since 1964 or 1965. We know too, that the minister's predecessor in office, Maurice Sauvé, seemed to show a great amount of enthusiasm and idealism for the task he had of implementing the provisions of ARDA and FRED in order to halt the decline and stagnation of many rural areas of the country. But nothing substantial ever occurred; there can be no mistake about that.

The minister is as determined as his predecessor to deal with the problem of regional disparities, and I hope he is prepared to take a new approach. It seems to me that the new approach should include the following. First of all, when speaking to the legislation the minister said that the concept of the new department is one of global planning. In so far as rural areas are concerned, one assumes and hopes this will include the problem of agricultural policy in Canada.

I have said on previous occasions, and I say again with all the emphasis I can muster, that nothing effective will be done in the realm of rural development and the elimination of regional disparities until the government is prepared to come forward with a meaningful agricultural income policy. Such a policy is almost completely lacking. It is true that with regard to the dairy industry there is an income policy of sorts, but with respect to western grain production there is no income stabilization policy worthy of the name. Therefore there are in western Canada many areas, districts and even regions which are suffering from low incomes. This situation has resulted from the fact that there is no agricultural income policy in Canada.

For the entire post-war period there has been one extreme in the United States, that of agricultural commodities price support without limit. In Canada there has been another extreme, that of no agricultural commodities price support. Surely between the two extremes there is a median that an enlightened government would want to endorse and implement. No matter how many programs the government implements, no matter how often it changes the name of a department or how many civil servants it hires, nothing meaningful will be done by the government to cope with rural poverty as long as farm income remains a problem. Only when the problem of low farm income is dealt with can the residue of the problem be dealt with through FRED or ARDA. Let there be no mistake about that.

I sometimes have the sinking feeling that the government—I am sure this will not be true of the minister—over the past few years has, in the introduction of new legislation setting up a department, fund or agency under a new name, sought to buy time. Civil servants are dispatched to different parts of the country to conduct surveys and studies, and when that is not enough outside consultants are hired for the same purpose. Months and years go by, and when there is no hope of any continued stalling, lo and behold a new bill appears under a new name and they start off *tabula rasa*. In the meantime, the people living in these areas continue to live in the same economic circumstance from which we had hoped to elevate them eight years ago.

• (2:40 p.m.)

I hope the minister will see fit to make a concerted effort to allow less money to be diverted into studies, many of which have been meaningless in every respect, and to use the money saved from these studies for projects and programs that seek tangible and concrete improvements in local districts in these special designated areas. I tried to bring to the attention of the minister's predecessor the fact that under the ARDA and FRED programs as they operate in the Interlake district of Manitoba, part of which I represent, there had been a plethora of studies. I recall one study in particular on the fertility rates among different cohorts of mothers. This study cost a few thousand dollars and resulted in the finding that the fertility ratio among mothers in the Interlake district happened to be .3 of 1 per cent higher than in the rest of the province. A big deal that was! The $6,000 or $7,000 spent on that kind of study plus equal amounts of money spent on equally useless studies could have been saved and put to use in drainage improvements and road improvements, or added to the amount of money available for technical school construction or for manpower training in rural areas. This money could have been of immediate and direct benefit to the people in the area.

There is another point which I should like to bring to the attention of the minister. I find there is something inherently contradictory in the efforts of the government to deal with the problem of rural poverty and regional disparities. I refer to their attitude to the role that can be played by existing Crown corporations and government agencies. Until now the pattern followed by the government has been to do something in the less advantaged regions where it is hoped that the attraction of industry would have beneficial effects. The government, through its old ADA program as well as through ARDA and FRED, has made capital grants available to any private entrepreneur and to any industry wanting to locate in a given region or district. I suppose that in many cases this has had limited success. But we do know that there are also Crown corporations in this country that, as a matter of internal management decision, have decided to pull out of a given region. Often this has had dire consequences for that region.

The prospect which faces the government, and in particular the Department of Regional Economic Expansion, when a Crown corporation leaves a region is the provision of massive amounts of capital by way of grants to attract new industry. In either case the cost to the Canadian taxpayer is not substantially different. In fact, it can be argued that a saving might result to the taxpayer if the existing operation were maintained, even if it required a subsidy.

Let us consider two specific instances, one being Air Canada's operation in Winnipeg and the other the Canadian Forces base at Rivers, Manitoba. Neither of these two places are in my constituency so I am not speaking from a local or parochial point of view. The fact remains that if it is the intention of the Department of National Defence, as was announced, to discontinue the Canadian Forces base operations at Rivers, it will mean the wiping out of 1,100 jobs for the people of that essentially rural area of Manitoba. The prospect of losing 1,100 jobs will mean, if not death, at least a high degree of economic stagnation for that part of the country. In turn, it will mean that if the new department is to live up to its name it will have to inject massive amounts of capital by way of grants to try to attract alternative industry.

I should like to ask the minister whether the thinking of the government is sufficiently crystallized to enable him to say whether, in the case where a government department or Crown agency or corporation decides to take a step which will have an immediate and direct bearing on the economic life of a region, it is envisaged that his department will have a considerable say on whether or not the other department or agency will be allowed to take such a step. I think this is a crucial factor and an important question on which the minister should try to elaborate at the first opportunity.

• (2:50 p.m.)

There is another criticism which I should like to direct to the minister's attention. When the local representatives on the board of directors of a local co-operative, which is usually a small local industrial undertaking such as a creamery or cheese plant, decide that a particular kind of industry can operate successfully in that district—here I am speaking of areas which have been acknowledged as having less economic opportunity than designated areas in the rest of the country—I hope there will be a greater sense of urgency on the part of the officials of the new department and of the minister than was the case under the ADA program, for example. I speak from direct experience in this regard. In my area a local co-operative creamery decided that because of the changing nature of the dairy industry in Canada and in the west it would be desirable to supplement the local creamery operation with a cheese plant. After a number of local meetings in which many of the local residents involved themselves—and this type of involvement is supposed to be the essence of the whole approach—a decision was reached to go ahead with the construction of a cheese plant. It was found possible to raise between $30,000 and $40,000 locally, but a matching grant from the Department of Industry under the area incentives legislation was needed. After two years these people are still waiting for financial assistance.

I wish to emphasize that in many rural districts which are impoverished and face prospects of further decline, it takes hard thinking to come up with proposals for concrete action. It is not easy to decide what kind of industrial possibility will be feasible. But here we see an instance of local people led by their local co-operative board of directors, many of whom have a good deal of experience in business affairs. They agree on a concrete proposal involving the raising of between $30,000 and $40,000 locally and they make arrangements to provide this sum. But, when they ask the department to make use of its much publicized area incentive legislation to the extent of making a grant of a similar amount, the department refuses. One can only come away, in such a situation, with a pretty sour impression of the way in which the department handles these matters.

Only a few miles away from this community one of the largest corporations in the country has built a distillery costing about $10 million. The corporation is not impoverished, but in order to attract it to locate in this designated area capital grants of the order of 30 per cent of construction costs were made to it. The distillery gives work to upward of 100 people in the community, and that is fine. But in addition to outright capital grants provision is made for an accelerated capital cost allowance. Altogether, the amount of transfer capital from the taxpayers of Canada to this corporation comes to several million dollars. Yet when a band of local dairy producers wants to get $40,000 out of the government they meet with two years of stalling.

It cannot be said that the project was not feasible, that it was rash. I defy anyone to show me a group of people more cautious and prudent than local businessmen or directors of local co-operative boards. The department has made a gracious offer. It has said that in a year or 18 months it will reconsider the application and maybe grant moneys retroactively. Bearing in mind the kind of harvest in western Canada last year, bearing in mind the decline in farming in 1968, I believe the time for action is now, not next year after what one hopes will be a fruitful harvest.

There are many instances which one could cite without being unfair in the slightest way to show that there is something incredible about the operations of the various agencies which have been established to deal with the problem of inter-regional disparities, low rural income, and so on. When the department is presented with opportunities of concrete action in respect of concrete projects it responds by procrastination and delay.

In conclusion, I should like to say the time has come to speak with more candour than in the past about the problem of rich and poor regions. I feel that unless the government is prepared to make greater use of existing and new Crown corporations nothing substantial will be done. There are certain approaches open to it. There is something illogical about a situation where at a time of slow growth and high unemployment in certain regions the central government is pursuing a blanket policy of tight money and high interest rates. In some areas this might be logical but in others it is the height of folly. I conclude by saying there is ample opportunity for effective action by the government. I wanted to make a point about the role of fiscal and monetary policy. It would not take too long.

The Acting Chairman (Mr. Richard): Order. I am afraid the hon. member's time expired two minutes ago and unless the committee is disposed to grant him more time, he cannot

continue. I could not care less personally who is speaking provided the committee wishes to listen, but I understand there are a number of other speakers who wish to take part in the debate.

Mr. Schreyer: I really require only another minute, Mr. Chairman.

Mr. Drury: I think the committee would be quite agreeable to allowing another minute.

Mr. Schreyer: Yes—literally one minute.

In the United States it has been found possible in the realm of monetary policy to make allowance for regional differences in the practice of the different regional reserve banks, the United States equivalent of our central banking system. I hope the government will explore the possibility of loosening up our central banking system in such a way as to provide more opportunity for regional expression. Put so briefly and starkly this might seem an idea of the kind which the minister might wish to set aside out of hand, but I suggest there is some logic in it. For some years we have been plagued by tight money resulting in high interest rates. In certain parts of the country such a policy might be applicable, but in regions in the east and west where there is economic stagnation and slow growth the last thing needed is a tight money policy.

(3:00 p.m.)

[*Transaltion*]

Mr. Godin: Mr. Chairman, I was very pleased to hear that under Bill C-173 which is now under study, a greater part of Quebec would be able to benefit from various types of assistance. If that is true, the Montreal area which has always attracted manufacturers and tradesmen will be advantaged more than some other areas of the province of Quebec where the exploitation of natural resources brought about the establishment of some big industries while the industrial development of the rest of the provinces slackened.

Therefore, we from the eastern area of Trois-Rivières get the feeling that we are advantaged since clause 23 gives us great hopes. In fact, under that clause the functions and powers of the minister entend to and include all matters relating to economic expansion and social adjustments in areas requiring special measures to improve opportunities for productive employment and access to those opportunities.

I presume that the minister will not overlook anything and will back the provinces concerned, as to the implementation of a real policy for industrial decentralization.

Yesterday afternoon in his statement the minister pointed out to us that the department will urge that loans and advances be granted to provinces. In our opinion, that is another piece of news that is welcome since the minister will do his best, I trust, to carry out fully the programs that have been jointly studied and approved. And in order to do so, I am convinced that he will not hesitate, once the time has come, to call on the Bank of Canada.

The Canadian public has not always been aware of all that happens in the administration of the country. There is a public administration and a semi-public administration. As far as foreign investments are concerned, some facts are ignored and banking transactions which eventually benefit those foreign countries are not always disclosed. However, I learned from reliable sources that upon his arrival here in Ottawa in the fall of 1965, the minister, requested an explanation of how the funds loaned to foreign countries were set up and finally—I could give the name of the member of this house who explained that to him, as well as the name of one witness to confirm this—he came to the conclusion that these credits for foreign countries were merely social credit provided to them.

Now that he knows how it is done, I am inclined to believe that he will make a statement in the near future, to tell us that what is good enough for foreigners is good for Canadians.

Some hon. Members: Hear, hear.

Mr. Godin: Mr. Chairman, I am convinced that when the Minister of Forestry and Rural Development (Mr. Marchand) makes that statement, he will get the approval of every honest cabinet minister. I also hope that to ensure the success of those projects the Minister of Forestry and Rural Development will demand the co-operation of the Minister of Industry, Trade and Commerce (Mr. Pepin), since only he can evaluate at this time the damage caused to Canadian businesses by excessive imports. It is useless to think of establishing or expanding plants to produce goods to fill the needs of the Canadian family if the government does not reduce those imports. Already, the electrical appliances, clothing, and shoe industries of Canada have

been greatly affected, in Ontario and particularly in Quebec, where plants established for 50 to 75 years have recently disappeared as a result of increased imports. That means we cannot think of creating employment without taking the consumers into consideration.

It must not be forgotten that Canadian consumers will purchase only in case of need, and if they have the necessary purchasing power. Now, many unemployed who have been retrained are coming on the labour market to offer their services, and thousands of youngsters are also hoping to get jobs.

In the Ottawa area alone, 50,000 students are seeking summer jobs and according to the Manpower Centre, only 3,000 to 5,000 jobs are available, which means that 40,000 students will be unemployed during the summer.

That proves, Mr. Chairman, that skilled manpower is numerous enough in the country now to meet the demand of manufacturers.

Let us be careful not to import indiscriminately. We should not forget that no country buys from Canada to do us a favour or out of gratefulness. Events of the past are a proof of it and it is quite normal that a country buys what it needs at home and only calls upon foreign countries when it lacks some product.

Mr. Chairman, another aspect of the vocational training policy should be, in my opinion, to help farmers. Indeed, one of the main tasks of government as far as designated areas are concerned is to allow access to vocational training to farmers whether or not they are fated to remain on the farm.

If a farmer must stay on the farm, he must have the technical knowledge necessary to face the problems of managing a modern farm. On the other hand, if he must leave the farm, he should not go to the city as a castaway but he should have the necessary knowledge to practice a trade.

I trust that the rules enacted under this bill will enable the greatest number of farmers to attend the schools during the coming months.

As far as the riding of Portneuf is concerned, only 40 p. 100 of the farmers interested in further training have been allowed in recent years to attend classes that are now offered to them.

In order to control the market for their products, the farmers, through proper organizations, have tried to follow up as far as they could the movement of their products. They have also tried to organize for their benefit the sale of their products, natural or processed.

[Mr. Godin.]

We have seen well organized co-operatives with a good system for the production, the preserving and the sale of fruits and vegetables. I have in mind particularly several areas of the province of Quebec, such as Rivière-du-Loup, Orléans Island, Québec-Montmorency, Portneuf and Saint-Jérôme.

We also have cold storage facilities that were built thanks to grants from the provincial and federal governments. They were filled with potatoes and strawberries for which there were no buyers and we had to empty them by burying those products in the ground, since our markets had been flooded by imports.

The same situation prevails also in the dairy field, and so much so that last year our country was importing butter from New Zealand and Australia, and this to the prejudice of the Canadian producers.

Section 28(1) (a), (b) and (c) of the bill states clearly that money will be provided to industries as capital or interests, or simply as grants, to help them defray part of the capital cost needed for the establishment, expansion, modernization or operation of the undertaking.

Such a procedure is most commendable, and I know that many businessmen are waiting for the opportunity to put their names on the long list of applications already in the minister's hands.

But whatever the projects under study, capital is needed to carry them out. We must not think, however, that this bill will regard all problems as pertaining to the so-called special areas.

Let us remember for example, the investments of some $15 million in Arvida, by the Aluminium Company. That company invested $15 million, the federal grant was $5 million, which makes a total investment of $20 millions and the creation of 100 jobs. Therefore, it is an investment of $200,000 per job.

If ALCAN keeps for itself 9 to 10 per cent of the profits, which is the average profits of Canadian companies as capital gain and which is quite normal, if the capital was borrowed at 7 per cent, ALCAN would make a profit of some $20,000,000 for each job. Those huges investments create very few jobs, but large profits and as automation gains ground, I think that the distribution should be automatic.

Automation and machinery are social capital. The yield of that capital should be distributed by means of the social dividend suggested by the Créditistes. This would help the people to purchase good and services and it

would promote the growth of present business concerns and the creation of new ones.

Mr. Chairman, I conclude by pointing out to the minister that we have only two choices: either we find ourselves buried under our present production, because we do not have enough purchasing power, or we get ready for another war, which, by the way, would help us get rid of our surpluses.

Some hon. Members: Hear, hear!

• (3:10 p.m.)

Mr. Clermont: Mr. Chairman, I would like to make a correction to *Hansard* for March 20, 1969. At page 6907, third paragraph, left column, my words are reported as follows:

Those areas have tremendous potential for the tourist industry; they have natural and extremely varied attractions. Tourist centres, camping sites and a provincial park have already been developed. In 1966, with the co-operation of the federal government and the province of Quebec, eight provincial parks were developed in that province; lifts were installed for the skiers as well as facilities for the skidoos, a sport that is very fashionable these days.

Here is what I said, I think:

Those areas have tremendous potential for the tourist industry; they have extremely varied natural attractions. Tourist centres and relays, camping sites, ski-lifts and snowmobile centres, which is a very popular sport nowadays and a provincial park have already been developed. In 1966 with the co-operation of the federal government and the province of Quebec, eight provincial parks were developed in that province.

[*English*]

Mr. Ritchie: Mr. Chairman, in speaking on this government reorganization bill I shall be concerned with one area only, and that is P.F.R.A. I support the general tone of the bill and its endeavour to foster better economic growth as well as to correct regional disparities. I caution, however, that although it may be easy to set up the new department, it will not be easy for this department to deal with regional disparities. After all, regional disparities exist in any economy, be it socialist, a so called free economy or a regimented economy as they have in Russia.

It has become difficult in many highly developed countries to take care of that segment of the population that has not found security within the economy of the nation. In this country, with our huge underdeveloped natural resources, we ought to be much more successful in tackling this problem and in reaching an original solution.

May I now speak of the matter of P.F.R.A. I believe this has been one of the more rewarding government ventures and has made possible constructive developments in the rural economy of Canada. As Canadians, we owe a debt to this vehicle which has been so useful. I am sure it has contributed much to the productive capacity of our farming community. The pattern this venture has laid down ought to be followed and built on. It has created large cadres of skilled engineers and others who are able to pass judgment, based on their experience and know-how, on programs that have been undertaken. The most visible evidence of P.F.R.A. in western Canada is the larger dams that have been constructed such as the Shellmouth Dam on the Assiniboine River in my constituency. This dam is now nearing completion and will be very useful. In addition, P.F.R.A. has been involved in many similar projects to do with water; I refer to projects such as dugouts, small run-off dams and other programs that have increased the livestock carrying possibilities of our economy.

Although most of the larger P.F.R.A. projects in western Canada have been completed, many projects in other parts of Canada remain to be undertaken. I am concerned about the fact that responsibility for implementing programs under this legislation is to be transferred to the new Department of Regional Economic Expansion. I believe that much of the effort of the new department will be expended east of Montreal and in the Maritime provinces. I approve of that, since in those areas we seem to find the greatest economic disparities.

I now wish to add a word of warning about the relation of agriculture to P.F.R.A. The government has sent out numerous task forces that are involving themselves in various programs in this country. The task force on agriculture suggested that wheat acreage should be cut by 10 million bushels and that no dairy herd of less than 30 cows should be allowed to be operated. I do not quite agree with wholesale changes such as these that the task force recommends. I wonder if many of the premises on which these surveys were conducted were not, to some extent, falacious.

It seems to me that many rural people eventually will have to leave their farms and seek their livelihood in cities. This factor, I presume, is behind the idea of establishing central areas of regional economic focus where industries could be assembled to provide jobs for displaced people. Yet much

remains to be done for those who remain on the farms. Perhaps many will not have to leave the area in which they are living; many may change their occupation from one involving farming to one involving employment in some service industry and so continue living in rural or semi-rural surroundings. By this I mean that these people could easily involve themselves in recreational industries and other services that inhabitants of larger centres would use. There is great potential for establishing recreational industries or services in rural areas, in addition to secondary industries.

I believe that P.F.R.A. has a much greater role to play now than it ever had before; in future, it will enter more fully into the economic life of our community than it has in the past. It will work more closely with provincial governments; throughout all western Canada and other areas of Canada, therefore, a survey into the condition of land and land use should be carried out. Although much has been done, much more remains to be done. We have been profligate with natural resources such as water, land and forest. Erosion has hurt our country considerably and will hurt it more in the future unless steps are taken to correct erosion. The work of preserving our natural topography has only just begun and we ought to press forward with this work with all reasonable speed. The preservation of wet lands has become a problem in North America and a particular problem on the prairies. Preserving this land will help us to preserve a better balance of nature. If man is to remain on this continent with any degree of success, he will have to be more careful about preserving his natural surroundings.

There is a great future for P.F.R.A. in this field, Mr. Chairman. Although the new minister will be engrossed in problems of regional economic expansion, I hope he will not lose sight of the productive potential of P.F.R.A. I should like to see the aims of this legislation increased. Although it does not deal directly with the welfare of the people, in the long run it is a very productive tool of government and will contribute much to the agricultural community. With these few remarks, Mr. Chairman, I conclude.

Mr. Aiken: Mr. Chairman, there seems to be a general idea that Ontario is a prosperous province and needs no help from area development programs. In a general sense, Ontario is a prosperous province. A large proportion of the national income derives from the province of Ontario and much of our industry is established in Ontario. In that general sense, Ontario is prosperous. Nevertheless, there are underdeveloped areas of the province which do not share in the total provincial prosperity. I want to point out that fact this afternoon.

I represent an area in the Georgian Bay region of Ontario in which, as a general rule, the inhabitants have a reasonable standard of living. The people there are reasonably happy. All the same, there are several important areas with underdeveloped economies that I do not wish to be overlooked. It should not be thought that Ontario does not suffer from any problems connected with underdeveloped regions and that there are no provincial areas needing help.

• (3:20 p.m.)

In that connection, a report was prepared recently by the Georgian Bay Regional Development Council, and I would like to read part of that report as it appears in the *Globe and Mail* of Friday, March 7 under the headline, "Prosperity Gap Greatest in Georgian Bay region". It reads:

> The Georgian Bay area is in trouble, faced with a prosperity gap greater than any of the nine other provincial regions.
>
> Over-government, collapsing industries and disappearing communities in some areas, outmoded highways and irrational development policies are its major problems, according to the report of the Georgian Bay Regional Development Council.
>
> To remove and stabilize the 11,500 square mile area the report recommends an integrated federal-provincial development plan, a drastic reduction in the number of municipalities, a new highway development plan and the designation of urban areas as growth points—
>
> To support the claim, it publishes statistics showing that Georgian Bay is at, or next to, the bottom in comparisons of income, market ratings, industry ratings, retail sales, ten year growth rates and population growth.
>
> Collingwood and Parry Sound are in Slow decline—

Further, on its states:

> The region is perhaps a more difficult challenge than any of the problem areas of Ontario for it is not poor enough to be called an economic disaster area and, unfortunately, it is not yet in a stage of sustained, self-generating growth.

I think that fairly describes the area that I represent. It is not in any sense of the word a disaster area. In general, it has a good tourist industry. There are a number of other industries established there, yet on the west side of the district of Parry Sound, in the Georgian Bay area, there has been no benefit from the incentives that have been offered by the government in past years.

We are a designated area and the incentives that have been granted under the Area Development Agency have been used for several industries. We have been very fortunate, at least on the east side of Parry Sound and Muskoka, in establishing better economic development. However, on the west side, on the coast of the Georgian Bay, in the parts around the town of Parry Sound and north from there some 80 to 100 miles, development has fallen far behind what it ought to be.

Highly improved educational facilities and a good vocational school have been constructed in Parry Sound. In the village of Britt, which is just north of there, an excellent public school has been constructed. There has been an upgrading of the attempt to get some further economic value from the communities, but there is as yet nothing on which the young people can use their improved knowledge and special skills. The result is that those who stay there are very little better off than were their parents or grandparents. Those who leave merely increase the problems of the urban areas in housing, employment and transportation.

In most cases the offering of incentives is not sufficient in itself. There has to be an over-all joint program to meet the needs of an area. For example, several industries have given serious consideration to establishing plants in the West Parry Sound area. I would like to tell the minister, who has just come into the chamber, that I am speaking of the Georgian Bay area of Ontario.

But there are other problems which must be solved at the same time in order to bring in two or three of these industries. Natural gas is a first requirement for some industries, yet the natural gas lines were built some 40 miles further east. There is no use building the plants until the gas supply problem is met, and there is no use putting in the gas until the industries are there. This is the type of situation where a combined federal-provincial program is necessary, and I am trying to impress upon the minister that this should be a special area under the new procedures that he is going to use.

I think that the province of Ontario, which recognizes the difficulties, will be most happy to co-operate in setting up a special area in this Georgian Bay region. An expression of interest in a region by the government is a tremendous force for the better. Industry which has knowledge of sympathetic government support is usually willing to take a reasonable chance. Certainly designation as a special area of development would help.

I am glad that the minister is in the chamber so that once again I can tell him that the great need is to get started in this area, to get one major industry in there, and then the rest will come. Once we have got that incentive into the west Parry Sound area, I am sure that area will develop because it has a tremendous advantage in harbours. It is on the St. Lawrence-Great Lakes seaway. It has manpower advantages. It has advantages in living conditions. It has the fundamentals for everything that a regional economic development plan is intended to do, and I hope that the minister will consider this area seriously.

Mr. Peters: Mr. Chairman, other speakers have mentioned the influence that a particular minister can have on a particular department. A few weeks ago, shortly after the reorganization bill was introduced, I had an opportunity of discussing this subject with the parliamentary secretary, the hon. member for Northumberland-Durham. I made the point that I was very unhappy that this particular minister had been chosen for this particular position, because if any department should have a broad federal outlook it should be this one dealing with regional problems. The department should not consider provincial boundaries, but should tackle problems on a national basis. I discussed my reasons for not wanting this particular minister to be the head of this department.

• (3:30 p.m.)

I pointed out it was my opinion that as the minister responsible for manpower he had adopted a very provincialistic attitude by placing manpower retraining in the provincial field again when it had been in the federal field. This involves similar problems, because a person trained as a plumber in British Columbia should be able to do a job as a plumber in Newfoundland under the federal manpower placement agencies. This is not possible now; there is no universality. My feeling is there would be the same problem in respect of a regional program. Since that discussion, I have had an opportunity to look at several speeches made by the minister. I listened the other evening to the remarks made by the hon. member for Huron and I am prepared to agree that if the speeches this minister has been making are representative

of his opinions, perhaps this program will be a success.

I should like to mention some of the programs we have had. I know they have been gone into in detail. However, in most cases in respect of ARDA and the area development agency, we have had very competent people in those departments. Considerable leadership has been provided both in the agricultural and industrial field. Yet, there has been a very small degree of success. It is true that in some areas there has been more development than in others. The situation in Brantford is a good example. This area asked to be undesignated because there were too many industries. I should have liked to see a similar situation in respect of most of the other designated areas, but this result was not accomplished. I believe this mainly resulted from the fact both the provincial and federal governments jealously guard their own areas. Therefore, the type of co-operation provided was not very great and was provided too slowly.

In respect of one program with which I have been concerned, I phoned the official directly in charge who advised me that they had not been able to get the project through the counterpart provincial agency. After months and months, when the people who had been interested in the project were no longer interested in it, finally agreement was reached. It is my opinion that the development areas of Canada will be broken down into three particular regions. One region will be the area north of the St. Lawrence region. It is the area we call the Golden Horseshoe and stretches from Quebec and Montreal through to Windsor. This area is not likely to need a great deal of assistance in developing industry. This is an area where, in my opinion, more difficulty will be experienced because of industry than because of the lack of industry.

There is another area, which I believe is the one we are considering, which stretches from the Atlantic provinces through to the west coast. It might be called a mid-Canada area. In my part of the country, it is the area beginning about 50 miles north of Toronto and stretching to the tree line. If the information I have from other countries is correct, for a considerable period of time the tree line probably will mark the end of the area in which there can be secondary industrial development. There will, of course, be primary development beyond that. I think the area we are talking about is what one might call a resource base area rather than an industrial area. This is an area which to some extent is industrialized now because of the various natural resources in the area. This is true in my part of the country. It has also affected the main centres in the south part of the area. They seem to be in a fairly viable position. In fact, the two major centres of Sault Ste. Marie and Sudbury have the highest income level in that whole area, and probably in Canada.

In these places, the secondary development has been related to the natural resources. They have been very successful in this field. Farther north, however, this has not been possible. There, there is a lack of transportation and communication facilities. The fact is that my area is 400 miles north of Toronto and it takes five days for a letter to get to Toronto. This can be very disturbing to a businessman. A doctor told me that out of 20 or 25 samples he sent to a laboratory in Toronto in his professional capacity, 15 samples were frozen and returned as unacceptable for laboratory work. This is an indication of how poor communications are.

If this reorganization is to be successful, it will be successful because the minister believes in the program. If the minister does not really believe he, as a federal member of parliament and as a federal cabinet minister, is responsible for the regional development of all Canada, then this program will not work. The program did not work in respect of ARDA, FRED and AIDA. The main reason it has not worked is that there has been a patronage arrangement either by the federal government or the provincial government. Personally, I would like to see one of the two get out of some of these fields.

The previous speaker, the hon. member who comes from Parry Sound—I doubt whether that is in northern Ontario but it is close by—made representations in respect of the tourist industry. In my area, the tourist industry has been assisted by the federal government through the area development incentive program. However, the tourist industry would seem to be much more in the provincial field since parks, reforestation, and the maintenance of stocks of fish and game are under provincial jurisdiction. Licensing also falls within the jurisdiction of the province.

I should like to see the provincial government take over the development of the tourist industry. I have no objection to the federal government providing some money in this regard, but I believe it is rather ludicrous for

both governments to be vying for the opportunity to help in this regard.

One concept of ARDA was that little groups would get together and choose a community they would help. This might take the form of the reclamation of marshland, the draining of a swamp area or the conversion of a farming area from one kind of produce to another by the building of a facility to handle the new type of produce. This concept automatically brought to the minds of both the provincial and federal politicians that the program was within their jurisdiction. Except in respect of the two major programs we have, the provincial people and the federal people did not work in conjunction with each other. Therefore, the projects were superimposed on the communities. The communities had very little co-operation from the provincial people and none from the federal people because the negotiations and arrangements were not made at the community level. The arrangements were between governments rather than individuals.

• (3:40 p.m.)

Yesterday, the hon. member for Winnipeg North pointed out the change in attitude apparent in a number of publications and statements made by the government in recent months. There must be a change of attitude on the part of the minister. There should be assistance given to primary resource areas which are in need of assistance to become a secondary industrial area. If the minister stops at the borders, he is overlooking a number of points that should be considered. There is a very close relationship between northeastern Ontario and northwestern Quebec. The same situation is developing between Manitoba and northwestern Ontario, the area represented by the hon. member for Kenora-Rainy River. The people of northwestern Quebec talk about stretching that boundary over to Newfoundland.

These areas are not governed by provincial boundary lines. They are areas in which the primary industries are mining, forestry and subsidiary plants evolving from those primary industries. The same problem exists in the maritimes and all other areas not included in the industrial belt. People who come from the maritimes to work in northern Ontario find that they are faced with the same problems. They find that in their prime they can work in the mines for fairly good wages, but there are no jobs available for women, young people, elderly or disabled persons.

The economy in that area is based entirely on the very limited strata of physically capable people working in the primary industry. They go back and forth across the provincial boundaries in that band of development. Many people have mentioned that there must be changes in the disparity of income, education, employment, job opportunities and secondary type of employment for all rather than just the most healthy male population.

The Premier of the richest province in Canada, Mr. Robarts, has demonstrated how interested provincial governments are in money. He said this province would accept medicare because there is money in it. If this is acceptable to Ontario, then other provinces will follow. If the minister can institute programs to solve economic problems on a regional basis in northeastern Ontario, those programs will apply to northwestern Quebec. The government should no longer state that this is unconstitutional. It is not unconstitutional to provide people with the means to help themselves.

For some time I, as a pseudo-socialist, have been worried about the government developing industry in an area. I suggest to the minister it is not necessary to always follow the same pattern in achieving this development. The minister should consider projects available that will make money and provide growth centres. I suggest to the minister that he should consider the Mackenzie Delta project, an undeveloped resource area. It is difficult to say what the future will be, but no major mistakes have been made.

In considering the Mackenzie Delta and the oil that will be produced in Alaska and the Northwest Territories, the minister should consider the very large expenditure to build a 36-inch pipe line from the Mackenzie Delta to Edmonton, the heart of Canada. If this were done the United States probably would not build a pipe line from Alaska to the Pacific. There would be many advantages in having this commodity partly processed in Canada and the resultant industry integrated with the whole continental oil policy. No doubt the government would recover this expenditure over a period of time. Possibly shares could be sold to the general public such as was done in the Panarctic project.

There are a large number of iron deposits in northern Ontario. Iron ore is now being shipped to Hamilton and the United States. This source of iron ore will probably last the next 100 years. I suggest a steel mill should be built in northern Ontario. A secondary industry would be developed because some

processing must be done while the steel is at a certain heat. I also ask for consideration of hydro projects. This is a very important field. I suggest to the minister that these projects would be successful under the Canada Development Corporation. The minister may find that the Canadian public are willing to participate in a total national expansion program if given the opportunity to do so.

[*Translation*]

Mr. Matte: Mr. Chairman, I shall try to be brief in order to give the house the opportunity to end the debate without undue delay.

That new department has raised many hopes. As a proof, I would like to quote a journalist Mr. Roger Champoux, who wrote an article in *La Presse* on February 19, 1969.

The article is entitled "*L'opération Secours*" and Mr. Champoux wrote the following:

The project is tremendous and the instrument to implement it has just been drafted. The federal government has thus taken on a tremendous task in establishing a super-department responsible for levelling the economic disparities of this country.

Actually, and I am saying this without any attempt at irony, the federal government is fulfilling an electoral promise, but above all, in so doing, it justifies at long last those reasonable people who have been calling for strong action and ingenious ventures to raise a number of Canadian areas out of their stagnation. This is an emergency and it has all the makings of a drama.

At this stage, Mr. Chairman, I would like to point out that the Créditistes are among the reasonable people the journalists are speaking of. We Créditistes, feel that the editorial writer, even if he did not intend to do so, was referring to us, for ever since the beginning of our campaign to get the government to deal with the economic depression, we have been laughed at and people have been saying: it is demagogy. The country is prosperous, all is well and therefore the Créditistes were demagogues. Today, in the very paper which was abusing us, one may read that reasonable people are those who have long been raising the alarm and pointing out, because it became more and more obvious, that there was an economic depression.

We are very happy about this government initiative and we hope that even if this the real solution, is not found even if once more we do not reach to the real causes, as the hon. member for Compton (Mr. Latulippe) pointed out yesterday, even if this is not the magic key to many of our problems, we will nevertheless not object to some improvement of the present system, which we reject.

[Mr. Peters.]

• (3:50 p.m.)

And the editorial writer goes on to say:

We have lived for a long time with the illusion that the country was so rich that its normal growth would continue without major problems. But lo! It is not only a question of poverty, but of large areas where the economy is at a stand still and social conditions are shameful. A rich country with a precarious economy: how irrational!

One would almost swear that the editorialist has taken his inspiration from the words of leader of the Ralliement Créditiste, the hon. member for Témiscamingue (Mr. Caouette).

—The new Department is to be called "of Expansion". This phrase tells all, but the size of the problem to be encompassed.

Mr. Chairman, the situation described here is well known to the Créditistes. They denounce it, and for several years they have been trying to find the real solution.

We hope, in the meantime, that the solutions we proposed will be seriously studied. After all, we want to help in the implementation of this very vast program.

We have a few doubts however, justified by the failure of former programs which were established. I am thinking for example, of the winter works program, which was noth ng more than an outflow of money replacing the social welfare payments.

I have in mind the failure of the ARDA project, among others. The following appeared in yesterday's issue of *La Presse*:

Delegation to Quebec City

The ARDA project has not done anything significant: we must consider deporting the people of the Gaspé region.

Those were the words of the reeve of the county of Bonaventure, and I quote:

The project to develop the Lower Saint Lawrence region, the Gaspé peninsula and the Magdalen Islands has not really done anything significant, and that could result in the near future in the deportation of the people of the Gaspé peninsula.

That is an example, Mr. Chairman, of a wonderful program which gave birth to many hopes and which today stirs up many illusions.

Now, if we are limited to such a program, it is too bad, because it will only emphasize the poverty of the depressed areas of the country.

Here is the example of another failure. I would not want to question the ability of the future Minister of Regional Economic Expansion, but we saw during the last election campaign how he solved the problem of the dock-

yards in the Quebec region, about which questions obviously come to mind.

The famous designated areas, to be called special areas in the future, are they undergoing a simple change in name or a genuine change in organization? If this represents a real and serious change, we intend to participate.

How is it possible to ensure efficiency without, first, eliminating such a scattering of funds. If $1 million is invested in one area and $10 million in another, and there is no sound organization capable of setting up in a given period a true general plan likely to ensure the survival of the businesses, we are heading for disaster.

I have here a copy of a telegram which was sent to the minister on February 24 last and which, I think, illustrates what I call a scattering of money. I quote:

Vehement protest against use for publicity reasons of the Shur-Gain Co. for Farm Management courses subsidized in Matane area by our governments. Pierre-Paul Tardif, agronomist, responsible for such a policy, allows replacement of regular professor by those lecturers who are using panels for their benefit to spread their publicity during government paid periods. Stop. Those methods have no respect for our democracy, are unfair via the Statut Entreprises Libre, and cause me great prejudices at the present time. Stop.

I have no intention to bribe anybody to offset that. Stop. Insist that steps be taken so that competent authorities investigate charge. Stop.

That people who authorize degradation of our rights, Libres Entreprises, be deprived of office and replaced by others who can guarantee impartiality.

Such assistance is granted in order to promote the economy and to ensure the retraining of farmers. However if that money is only to benefit well-established companies, it is an astonishing, not to say scandalous, scattering of funds, which should be avoided. Of course, the efforts we will be making in order to favour companies by granting them loans which should be used to develop the area will be useless in an already underdevelopped area if those loans are made at extravagant rates of interest. Therefore our policy should be to maintain interest rates at the lowest possible level.

Moreover, as previous Creditiste speakers pointed out, in the case of a really underprivileged area, why not go further and make loans without any interests, or at least at a very low rate, just enough to meet their administrative costs?

As the hon. member for Portneuf (Mr. Godin) said earlier, what is being done for some foreign countries should be done in our own country.

All the difficulties of the minister will stem of course from the agreements he will have to enter into with the provinces. In my opinion, the main problem he will meet and will have to solve when he works out and puts into operation the programs established under the terms of clause 5 subclause 1 is to ensure the necessary co-operation with the provinces in which special areas are located, and with the volontary groups and public authorities in those special areas.

This, Mr. Chairman, is the crux of the matter. It will be possible to develop the special areas only if there is full agreement with the provinces concerned and with the organizations in those areas.

To that end, the federal government should not stand stubbornly on its position in such a way as to force the other party, for reasons of principle, to opt out of some agreements. Therefore, a very close and cordial co-operation should be established between the Quebec Department of Industry and the Department of Regional Economic Expansion, without any ulterior motives.

• (4:00 p.m.)

The difficulties are likely to crop up because of the tremendous size of those special areas. As far as Quebec is concerned and particularly the area east of Trois-Rivières, I can only rejoice, because I represent the first riding east of Trois-Rivières, that is the Champlain riding.

On account of the tremendous size of those special areas, what procedure will be followed? How will the selection be made? How will priorities be determined? What will be the over-all plan?

Naturally, I am wondering about the procedure to be followed. I trust the problem will be solved in a satisfactory manner for all those concerned who are suffering now in these special areas.

In the Champlain constituency, the only fairly large city, so to speak, is La Tuque, in the northern area. It has a population of approximately 15,000. Around it revolve some centers, mainly forest centers, and it owes its existence solely to the local major industry, the paper industry.

The alarm has been sounded already in the paper industry, since, on account of the Kennedy Round trade agreements and their use of new and more expensive species, the United States are able to produce various types of paper, especially in the field of wrapping

paper, at a cost much lower than the Canadian producers can.

Our producers get little protection against United States exports of such types of paper, and this results in a slow-down in the production of paper factories.

Of course, if United States competition in that field became stronger, almost all my constituency would find itself in a critical economic situation, since one quarter of the population in Champlain is basically dependent on the paper industry.

Therefore, a way should be found to prevent the situation from deteriorating, while it is still time to act.

The city also comprises other small plants, whose management the minister has no doubt met, and this is the announcement that was made in the matter, and I quote:

—on February 12 last, the management of the Canadian Converters firm announced the temporary close-up of the shirt factory it has been operating in La Tuque since March 1966.

I think that the areas east of Trois-Rivières, particularly that of Champlain County and La Tuque, should be among the first to be looked after by the new department.

It is with real optimism that we are waiting for accomplishments and even if it is our duty to look for possible defects, I would like to assure the minister of our entire co-operation and we will all be glad to cheer at the very first concrete achievements of his department.

[*English*]

Mr. Skoberg: Mr. Chairman, I can assure the minister I will be very brief but I would like to add a word or two to what has been said with regard to this bill. May I remind him of a statement which he made on March 20, as recorded at page 6895 of *Hansard* and which reads as follows:

The first thing we have to do is establish the department before we indicate to the house exactly what we intend to do.

I admit I do not understand the minister's words. It has always been my impression that before we can ask the people of this country to expend money in establishing a department of the government, members of the house should really know what the terms of reference and intentions of that particular department are. I, therefore, ask the minister, when he rises, to answer the questions that have been asked of him and to indicate to the house exactly what his department intends to do in the immediate future. I realize the department must be established before he can possibly speak with authority. Nevertheless, I believe members of this house are entitled to have an understanding of exactly what the department intends to do. At the same time, I believe his department faces the greatest challenge of any department that is being established under this bill. I know the minister in charge of housing has suggested that everyone in this country should have an opportunity to choose the type of home in which he would like to live. However, before this can possibly happen, the Department of Regional Economic Expansion must improve the economy of this country and make it possible for everyone to have that choice. I believe that this free choice is a great myth until disparities in different parts of Canada are corrected. We know that there is a disparity in wages throughout Canada, and this again will have to be tackled by a department of the government.

I should like to quote another portion of the minister's opening address at page 6894 of *Hansard*. It reads as follows:

—the department's goal will be to ensure that economic growth is dispersed widely enough across Canada to bring employment and earnings opportunities in the hitherto slow growth regions as close as possible to those in the rest of the country.

• (4:10 p.m.)

I suggest to the minister that in his attempt to bring this about he should not forget to consider the situation of areas which are steadily going down, areas which have dry rot at their roots. There are many such communities throughout Canada, and perhaps I can use Moose Jaw as an example. This is a city which has suffered severe hardship through the loss of many industries; we are close to the capital city. Even though outward appearances might indicate a prosperous community, there is a rot developing at the very core and if it is not attended to under the terms of the new legislation I can assure you, Mr. Chairman, that conditions in the area will not be pleasant in the future. I ask the minister to pay attention not only to areas which are suffering today, but to the situation in areas which will suffer, and suffer deeply, if no consideration is given to their needs.

I notice the minister also says:

This bill provides for the establishment of special areas when employment opportunities are very limited in the region itself or in the territory of which that region is a part.

I should welcome an explanation of some of these terms, specifically a definition of "territory". Perhaps we could be given a definition

of what will constitute growth areas or special areas, and told how this is likely to be interpreted in the regulations. We would then be able to establish whether there is any meat in the bill, because it is these regulations which will determine whether the necessary action can be taken.

I agree with my hon. friend who spoke earlier that this should be a federal matter. If this bill is to mean anything to the Canadian people as a whole, too much reliance should not be placed on the idea of co-operation between governments at federal and provincial levels. It scarcely seems likely that the two levels of government can move quickly enough to remedy the situation which this country faces.

I ask the minister not to be too much taken up with this idea of really close co-operation in carrying out this work. Everyone agrees there must be co-operation. But if we wait for co-operation before taking any action, well laid plans can go astray, for political or other reasons. I believe the hon. member for Timiskaming was correct when he said the federal government must itself accept responsibility for putting the provisions of this bill into effect.

I respectfully urge the minister to see that regulations are drawn up which will make this bill a meaningful part of our institutions. Everywhere in Canada people are looking to this new department trusting it will do something for their areas. I can appreciate the situation in which the minister finds himself, but if he works diligently to ensure that every part of our nation is taken into consideration, I am sure he will earn our congratulations. The special areas will, of course, have to be given special treatment. I wish the minister success in his new department and again suggest he urge his colleagues and every member of his staff to take the entire nation into consideration when laying plans and drawing up the regulations to make this legislation effective.

Mr. MacDonald (Egmont): I shall only take a few moments, Mr. Chairman. I wish to refer in particular to clause 20, to which we have a consequential amendment. Since it relates to a more substantial amendment a little later on when we get to the definition of a council, in particular the Atlantic Development Council, I wonder whether I could suggest the amendment now, then stand it and perhaps come back to it later on. If the government is agreeable to accepting the later amendment which we intend to propose, we would move the following amendment to clause 20—that the following words should be added to paragraph (b): "and such other councils as may be created."

Mr. Marchand (Langelier): This is to be stood until we study the operative clause?

Mr. MacDonald (Egmont): Yes, Mr. Chairman.

Mr. Marchand (Langelier): My first words will be words of thanks to the members of the committee for their contribution to the debate. Most of the speeches were instructive. Everyone appeared conscious that this is a serious question, one with which we have had to deal as Canadians ever since confederation, and probably before.

Up to now, nobody has succeeded in solving this problem. Those who tell me that I am not likely to succeed are, of course, on safe ground. They are conservative, and I do not say they will be proved wrong, since history tells us that all those who have tried to deal with it have failed. Will it be different this time? I do not know. The only thing I can say today is that given the instruments provided by this legislation I shall try as hard as I can. After that, the house can judge whether or not I have been successful.

I thank the committee for its co-operation. As so many hon. members emphasized, this is a difficult task and it will not be accomplished overnight. I do not want those who live in underdeveloped regions to think I shall be able to perform miracles once this law is passed and that overnight they will become prosperous. I know that is not true. Many governments have been in power in Ottawa since confederation and none of them has been successful in this field. Provincially, it has been the same story. Some premiers and provincial governments have tried hard, and they have been successful to a certain extent in dealing with this problem, but it is still with us today. I know exactly what I am trying to tackle. I have no illusions, and I know the house has no illusions. But I believe that if we receive co-operation from every part of the country we can increase the pace of progress in this field and do better than in the past. If we are successful in achieving this, I shall be satisfied and could probably retire at the age of 90 or 95.

The hon. member for Egmont said he would like to know, at least in a general way, what the department intends to do. I thought this over, and found it a reasonable enough request. I shall try not to go into details of

the program we are presently studying, because the cabinet is still at work on the first bill we intend to bring forward in connection with incentives to industries. However, I think I can say in broad terms in what direction we are moving.

• (4:20 p.m.)

Hon. members have emphasized the importance of consultation with the provinces. Certainly, we will have to consult. I respect the importance of consultation. Equally, I respect the authority of parliament. Until parliament has given me the powers requested in this bill, I do not think it would be right for me to enter into consultation with the provinces on detailed plans. On the one hand, I am asked to consult with the provinces; on the other hand, I am asked, before any consultation has taken place, to give the details of what we are going to do. Until I have consulted the provinces I am not going to talk publicly about particular plans; this would make a mockery of consultation.

However, I am happy to take this opportunity to describe to hon. members, and to the public, the broad outlines of the programs I propose to pursue. The first program is to improve opportunities for industrial employment. For that purpose, I will be introducing to the house in May, I hope, legislation on industrial incentives to replace the existing ADA legislation. The new program will be considerably different from the present one, and I believe will be much more effective in creating new, permanent and viable employment. This program will be especially important for Nova Scotia, New Brunswick and eastern Quebec, though it will be of considerable importance to slow growth areas in all provinces.

At this point, I should like to inform hon. members that in all of the programs we are studying we do not intend to deprive any region of Canada of the benefit of the law presently in force. In other words, we are not going to give less than we are giving now. Some hon. members expressed the fear that a new program might take out some regions which then would not be in as good a position as they are today as a result of the new legislation. This is not our intention; we are trying to improve what is in existence today, not destroy what is good.

Second, I will be seeking to work out with the provinces, plans for the development of the main centres within the regions where economic growth has hitherto been slow. We will be offering federal resources to help these centres respond to growth opportunities. So far we have FRED plans for rural development, and this is important. I am proposing to extend that approach to plans for urban economic and social development.

Third, I will be proposing a series of plans to encourage and help the development of medium sized and small towns as trading centres and smaller industrial centres. That is especially important to the prairies, though of course it applies to eastern Canada too.

Fourth, I hope we can join with the provinces and local groups in formulating a series of plans for development and adjustment in rural areas of eastern Canada. We inherit the Gaspé plan, the plans for northeastern New Brunswick and for the Mactaquac area. They are not working perfectly. There are a lot of difficulties and we have to learn by experience. I will not be offering instant new plans. Quite a bit of time will be needed to perfect our programs. But we will be working as fast as it is possible to work effectively.

To those who raised this question, may I say we do not intend to set up royal commissions or task forces. We want to experiment with new programs and see how they work in each case.

Fifth, the P.E.I. plan, covering a whole province, is a special case. I shall be aiming to add another special case as soon as possible, because I think we need a distinctive plan for economic and social development to meet the particular needs of Newfoundland.

Some hon. members expressed the opinion a few minutes ago that there should be general plans throughout Canada. I do not think there should. Problems that are encountered in P.E.I. or Nova Scotia, in northern Quebec or northern Ontario, are not the same. If we want to make progress in this field we shall have to accept reality and plan specifically to meet the needs of the regions we want to help.

Sixth, there are the areas of Canada where Indian and Métis people are a large proportion of the population. They encounter particularly large obstacles to fully sharing in Canada's development. I propose to mount, again of course with provincial co-operation and local involvement, special plans to combat the problems of such areas.

Seventh, I referred a minute ago to a special plan for Newfoundland. In that plan, improved transportation must be an important element. For Nova Scotia and New Brunswick, we will need a long-range transportation plan that will include a program of

federal assistance for trunk highways as well as federal action for some major port developments.

I think one point that was raised many times during the debate was some hon. members were afraid that what we were spending now, partly through the Atlantic Development Board, on infrastructures would be eliminated in future. This is not true. I hope we will spend more than we have been spending for this purpose under A.D.B., because there is no doubt in my mind that it is useless to think of economic development for certain regions or cities if the infrastructures in those regions or cities are not built or rebuilt. Therefore, we require authority to do this. It is clear from the statute that public works and facilities are available to this end. As I say, we do not intend to do less than the A.D.B. used to do in the maritimes; I hope it will be more, much more.

Eighth, there are the programs of resource development on the prairies that we inherit through P.F.R.A. and, to a considerably lesser extent, ARDA. I intend in time to develop such programs, and to co-ordinate them with social programs such as we have in the FRED plan for the interlake area of Manitoba.

As hon. members know, this bill is not going to put a term to P.F.R.A.; we are going to work with this program and I hope we can improve it. Perhaps later on we will think of something else, but let us wait and see how we progress with the present plan.

Ninth, we are also making through ARDA a contribution to rural resource development and rationalization in Ontario and British Columbia. We will be seeking to work with the provinces to make such programs more effective.

Finally, we will be working with the provinces in certain areas where tourism offers one of the main prospects for improved employment and earnings. Those are the then headings under which we will be developing our programs. A great deal of detailed planning has to be done, joint planning that takes time. A great deal of money will also have to be found.

I entirely agree with members opposite who suggested that the department is, in effect, merely a framework. There is no doubt about that. This gives us a better chance to make our programs more effective. If the programs are good, then over the next few years they will require increasing priority in terms of expenditure. However, I think it was the hon. member for Selkirk who said that this bill may turn out to be good or bad. I agree with him, and I do not think the law itself is sufficient to correct the situations we want to correct.

• (4:30 p.m.)

One of my problems will be, of course, to find the money required. The other main problem, as several hon. members have rightly pointed out, will be to get the co-operation of other ministers and departments. There is no doubt that this will be a difficult problem, and this was underlined many times both in the committee and here in this house. While some mistakes have been made, I think some hon. members, and also some members of the public at large, have assumed I have more power than actually granted by this bill. It is underlined throughout the bill that any important program to be carried out must be approved by the Governor in Council. The minister therefore has no personal power. I say that bearing in mind the late Hon. C. D. Howe. Unquestionably he had great power. I make these remarks, not because I do not have the greatest respect for the late C. D. Howe but because we do not have the same backgrounds. Surely, he was a man who had great power; but it was personal power and not derived from law.

Mr. Stanfield: Perhaps we should call the minister a Napoleon.

Mr. Marchand (Langelier): As I was saying, the other main problem will be for me to get the co-operation of other ministers and departments. You can't legislate that. I can assure you that within the framework the legislation provides, the minister and the department will be doing their utmost to secure necessary co-operation.

Keeping that in mind, I do not think I am authorized to give more details than I have given. That is because the cabinet itself has not made up its mind on the different programs we are proposing and because I do not think it would be fair to the provinces we intend to consult to discuss this afternoon all the details of programs we have in mind.

[*Translation*]

Mr. Chairman, I have taken notes and I would have liked to answer every hon. member who honoured me with comments on the bill.

A number of particular cases have been raised. In view of the late hour, I would like to be permitted to consider again some

remarks which have been recorded in *Hansard* and to try to give adequate answers.

For instance, the hon. member for Selkirk (Mr. Schreyer) I think, referred to the case of a dairy where a problem arose. I do not know as yet if that application was made under ARDA or the industrial incentive program, which is quite a different thing, for in the first instance the initiative must come from the province and in the second from the federal government.

Then, if I may, I will not deal with all those particular cases that I shall examine later on, and if we can do something to settle them, we will be very happy to do it.

Yet some problems were referred to, about which I would like to give some precisions. If I am allowed to, I shall start with the remarks of the hon. Leader of the Opposition (Mr. Stanfield) who in fact is very conversant with the problem of regional disparities since he experienced them probably more than I did, and since he is fully aware of this critical situation. I totally agree with him upon the proposed solutions, yet though he is probably not better than I am at working miracles, I think he is good in his part and that he brings a very valuable contribution to this debate.

He raised problems that are perhaps irrelevant, say, in a technical way, when speaking of the "causeway".

Mr. Chairman, I hope the figures on which the government based its refusal to build the causeway will be at the disposal of the house or of the committee on transport and communications, so that all those directly involved in this debate, even if they interpret those figures differently, will understand why we took a decision as important as this one.

I think that Prime Minister (Mr. Trudeau) himself said at the time that the matter could be discussed and I hope we will have the opportunity to do so. I do not think consideration of this legislation is the right time to go into a very specific debate which might be better undertaken at some other time.

One of the points raised by the Leader of the Opposition and about which I would like to make a distinction is the FRED project for Prince Edward Island. I think he knows very well that taking the total amount of each party's contribution, meaning $500 million to be provided by Prince Edward Island as against the relatively modest contribution of $225 million from the federal government, is not a very fair way to present the problem, for either one of the parties, in fact, included in this sum of $500 million from Prince Edward Island is a large portion of its regular budget, meaning that several things that have been included in the project are part of the normal services and activities of the province, of which we pay about 60 per cent of the budget through the tax equalization program.

And so, in any case, I do not believe it is right to consider only the two figures and to say that in a joint program with a small province, the federal government contributes only $225 million, whereas the provincial government contributes $500 million.

I think that even if the figures are correct, the facts are altogether different. I do not think that any Canadian government, even if that were his ideal, could do as much for the whole of Canada as we are doing through FRED for Prince Edward Island. In fact, our contribution is the equivalent of $2,000 per capita. If the same scale were used for the province of Qubec, can you imagine what it would give for all the other provinces?

Obviously, it may not be enough, but I believe that the program deserves to be attempted honestly. However, to present the problem as it was presented is not altogether fair, for I think that our contribution is much larger than the figures seem to indicate.

The question of co-operation with the provinces was also brought up. You will have noticed in the text of the legislation—to which an amendment will be proposed—that we want co-operation. And in spite of the theories put forward by some hon. members of the New Democratic party, who want a united Canada, without taking into account jurisdictions, I maintain that it is impossible to do any economic planning in Canada without the co-operation of the provinces and that of the communities, through the provinces, or even without the co-operation of private enterprise and voluntary organizations.

It is being too optimistic to think that the federal government can, by itself, do economic planning when its spending power throughout Canada is now lower than that of the provinces and municipalities.

Therefore, it is obvious that if we work to develop an area, while the province works in an opposite direction, the results will cancel one another, because co-operation is imperative and should not remain a dead letter. I think that we all agree on that point.

Now, the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) said, I think, that no consideration is given in the

legislation before as to the human factor. He evidently wanted to condemn big cities, in favour of small towns or rural areas. I will not go into that, but he should consider evolution—

[*English*]

Mr. Lundrigan: It is not fair.

Mr. Marchand (Langelier): I think the hon. member meant that under this program, we will do nothing for the big cities but that we will take care of smaller population centres and rural regions. That is not the point I am trying to make. The point is that the law must be concerned about human beings, and this we understand very well. We are talking about social adjustments, and we have those adjustments very much in mind. We are thinking of the social impact of regional economic expansion. We know that if we move people we must house them, find jobs for them, sometimes retrain them, pay for their transportation and take care of their families. All this is included in what we call social adjustment. It is important for us to take all those factors into consideration and it is therefore not fair to say that this law does not take into account human problems.

[*Translation*]

Now for several reasons, I should like to speak French. The hon. member for Winnipeg North (Mr. Orlikow) made a long speech on education. It is true that I was very pleased—

The Deputy Chairman: Order. I regret to interrupt the hon. minister, but the time allotted to him has expired. Unless the Committee gives unanimous consent, he cannot carry on. Is it agreed?

Some hon. Members: Agreed.

Mr. Marchand (Langelier): I shall be brief. All I want to say is that I shall never hire him as my legal adviser on constitutional law. He mentioned the intervention of the federal government in the field of education and alluded to the Prince Edward Island, Lower St. Lawrence and Interlake programs. Those programmes have been set up jointly with the provinces which have jurisdiction in this field. The intervention of the government in the field of education could give rise to a debate a little too technical. However, I found it very funny, because the hon. member really thought that he had found a point which could not only destroy the Prime Minister and myself but also put us at variance. In any event, we shall have other opportunities to debate this matter. Let us confine ourselves to regional development.

• (4:40 p.m.)

[*English*]

Mr. Peters: We thought it was a very favourable change.

Mr. Marchand (Langelier): There was no change, fortunately for us, but I think the hon. member for Winnipeg North does not see our point of view, because this concerns joint programs. It does not concern only education. For example, there are programs for sewage and for water supplies, which are municipal and provincial matters, but because they are joint programs we can participate. We are not involving ourself in provincial jurisdiction, and this is a distinction the hon. member has not made.

[*Translation*]

Well, Mr. Chairman, it is getting rather late. I was afraid when I saw that the debate was dragging on that my chances for carrying the bill through today were dwindling. Therefore, I am not going to extend the debate and kill my own bill because I should like to have it passed today.

I shall, no doubt, have the opportunity to comment on the other subjects that have been mentioned. Once again, I thank all those who have taken part in the debate and as far as knowing exactly what will be the impact of this legislation, only the future will tell. Only experience will show if we have given ourselves the proper instruments and if, later, we have had the courage to seriously tackle the problems we wish to solve.

[*English*]

Mr. Schreyer: I would like to ask the minister a question.

The Deputy Chairman: I wish to remind the hon. member that the minister's time has expired, so he needs the unanimous consent of the committee. Is this agreed?

Some hon. Members: Agreed.

Mr. Knowles (Winnipeg North Centre): On a point of order, Mr. Chairman, we are in committee and the minister can speak as often as he wants.

Mr. Schreyer: When a federal government department, or agency, or Crown corporation makes a decision to remove an operation from a region of the country that is already

in economic difficulty, under the new legislation will the minister be in a position to exercise a countervailing decision-making power vis-à-vis that particular department or agency? Will he have a direct say?

Mr. Marchand (Langelier): I think that the answer is yes. That does not mean that I, alone, can decide not to close a base if the government decides to close it, but before the decision is made this department will be involved. We will discuss it, and we will try to protect the interests of the region.

Mr. Lundrigan: Mr. Chairman, I was very impressed with the minister until his last statement, which left me almost speechless. I am not sure whether he was clear in his statement about his attitude toward human resource development, or education, if one wants to be Joe Blunt about it. He left the impression that his department has no intention of getting involved in human resource development. I am aware of the constitutional problem, and I am also aware that the minister's colleague, the Secretary of State, has taken certain actions which are moving in the direction of involvement in human resource development.

I have recently completed reading studies by a lot of top economists, some Canadian and some United States economists, and next year the Economic Council will be saying that one of the keys to the solution of economic disparities is human resource development. For these reasons, I think the record should be set straight with respect to the minister's attitude toward human resource development.

Mr. Marchand (Langelier): Mr. Chairman, I think that we have a few instruments to combat regional disparities. One will be industrial incentives, and I do not think this relates directly to human problems. It is related, but not directly. After that, we have plans which we will negotiate with the provinces, and there is no problem of provincial jurisdiction because when we negotiate with a province both of us have global jurisdiction. The province has its own jurisdiction, we have ours, and the result is that there is no field with which we cannot deal. I think the provinces are deeply interested in these problems and we are ready to make joint agreements covering those subjects.

Mr. Lundrigan: I will take the example of a province about which I know something. Let us say that Alberta wants to negotiate with the minister's department for federal-provincial involvement so far as education is concerned. If there were some basis of agreement whereby the federal government and that provincial government could get involved with primary, elementary and secondary education, would this be a possible area of development within the terms of this legislation and within the terms of the minister's recent statement?

Mr. Marchand (Langelier): It is very difficult to answer such a question. I think if you read the P.E.I. agreement, you will see what we have done and to what extent we can go. I do not believe that we can make an agreement with Alberta dealing solely with education, but if we have a comprehensive plan those subjects could be dealt with in the agreement. We would have no objection to that.

Mr. Yewchuk: Since Alberta has been mentioned, I did not hear the minister make any comments pertaining to northern Alberta. Questions have been asked about the redistribution of the boundaries of designated areas. Is this too specific for the minister to deal with at this time?

Mr. Marchand (Langelier): I think it is a little too specific, Mr. Chairman. We intend that this program should extend to the whole of Canada, and that we should take care of all depressed areas including those in Alberta. However, I think it is a little too soon to indicate how it is going to be done.

[*Translation*]

Mr. Fortin: Mr. Chairman, may I ask the hon. minister, what are the repayment conditions of the loans to the provinces and the municipalities to which he referred in his preliminary remarks?

Mr. Marchand (Langelier): Mr. Chairman, unfortunately, I do not understand the question.

Mr. Fortin: In his preliminary remarks, the minister mentioned the means at his disposal to promote the development of special areas, municipalities and provinces and to check unemployment and regional disparities. He referred to loans and grants; can he now tell us about the guarantee of those loans?

Mr. Marchand (Langelier): Mr. Chairman, that is a matter of regulations. If the house passes the bill, we shall have the necessary powers. Thereafter, a complete set of regulations will be prepared; unfortunately, I am

not in a position to say more on the subject this afternoon.

• (4:50 p.m.)

[*English*]

Mr. Bell: Mr. Chairman, in order to be helpful, may I give the minister notice that I want detailed information on the matter of the former designation of St. John's, Halifax and Fredericton? I refer specifically to the releases that were made on September 25 and October 7, 1968. When we come to clause 24 in respect of these special areas I hope the minister will be able to give us answers, first of all, with regard to the provisional letters of intent that are to be given to new industry and also any further details he can give in respect of the transitional arrangements. I might have some other questions in this regard. I hope the minister and his officials will be fortified with full information on these questions, because the stage has been reached in respect of these cities where one day an announcement is made that the cities are in and the next day an announcement is made that they are not. This has created a great deal of uncertainty. We appreciate to a certain extent the problems in this transitional period, but there is a great deal of uncertainty in respect of new industries knowing where they should go. I do not expect a detailed reply now, but I hope the minister will be prepared to give some information.

Mr. Marchand (Langelier): They are in.

Mr. McGrath: In his reply, the minister behaved as if he were concluding the debate. I refrained from speaking on clause 1 in the interest of getting to the clause by clause study, but I want the minister to know I intend to make my remarks on clause 29.

The Deputy Chairman: Shall clause 20 carry?

Mr. MacDonald (Egmont): Mr. Chairman, I understood that until the substantial amendment proposed in respect of a later clause has been dealt with, this clause would stand.

The Deputy Chairman: Is it agreed that clause 20 shall stand?

Some hon. Members: Agreed.

Clause 20 stands.

Clauses 21, 22 and 23 inclusive agreed to.

29180—443½

On clause 24—*Designation of special areas*

Mr. Comeau: Mr. Chairman, I wish to move an amendment to this clause. Before I do, I should like to say that the minister has supported my amendment by saying that consultation or co-operation with the provinces would be carried out. My amendment is to the effect that after the words "council may" shall be added the words "after consultation with the province or provinces". The minister has supported my argument in respect of this amendment. It is absolutely essential that the provinces be consulted so far as the Atlantic area is concerned. This may be less crucial in respect of the maritimes since the bill provides for the establishment of an Atlantic Council through which the department might carry on consultation, but in the absence of information concerning how much power this council will have I feel this amendment protects the interests of the Atlantic provinces. There are, however, other regions which are concerned such as parts of Ontario, Quebec and the western provinces. They also come under the jurisdiction of this bill.

Unless other amendments are introduced, there will be no regional councils which would be able to carry the views of these regions to Ottawa. Within these provinces there might be development plans in respect of certain areas or counties which might not be in accord with what the federal government has in mind. I suspect the provinces have priorities in respect of development. It is for this reason they must be consulted.

Therefore, I move, seconded by the hon. member for Battle River:

—that in clause 24 after the words "council may" the following words be added, "after consultation with the province or provinces".

[*Translation*]

Mr. Marchand (Langelier): Mr. Chairman, discussion is not easy, because, as the mover of the motion said, it is quite clear from the remarks I have made in the house that I could not oppose such consultation, since it is the very essence of the proposal now under study.

I still believe that such co-operation with the provinces is a must and that it should take place. However, Mr. Chairman, for technical reasons obvious for any person aware of the complex social and political fact in Canada, it would be inconvenient if the clause dealt with that matter.

I really feel that we would make a mistake if we failed to consult the provinces before designating any area as a special one.

However, under the present circumstances, and considering that, sooner or later, we will have to consult some provinces for the purpose of designating an area, the jurisdiction of a province might possibly extend outside its limits and some of them might wish to designate one center rather than another. Consultation will then have to take place just the same. However, if the center being discussed is not chosen, all kinds of problems might arise. Although I consider consultations as essential, I believe it would be a mistake to include a clause to that effect in the legislation.

[*English*]

Mr. MacDonald (Egmont): Mr. Chairman, I find the internal logic of the minister's statement to be somewhat weak and perhaps confusing. I believe, as he has already indicated, this will quite naturally be a function of his office while setting up the designated areas. It may be that obvious to the minister but I can assure him that it has not been that obvious to the government that has been in office for the last six years. This view is borne out by the fact that the minister has to make an announcement in September and October and the fact that we have still not resolved what has been a very serious setback in respect of the AIDA program when it would have been most effective. This amendment does not tie the hands of the minister. The word used is "consultation". I think it is a very reasonable word to be included.

It is highly important to the provinces that, in respect of the designations of the minister, nothing will be done to jeopardize other steps taken by the provinces or other governments to further the general economic condition of the area. I am sure the minister himself finds no difficulty in accepting this. There may be some difficulty in another area. Frankly, I do not see what it is. I would hope, in an attempt to take other necessary steps toward better co-operation and consultation, the minister would in fact accept this amendment.

Mr. Peters: Mr. Chairman, the minister sure confuses me, too. I am interested in knowing what he has in mind. He indicated that he wants consultation with the provinces. I presume he means the government, but I am not sure. If the federal government is to have a program, it will have to be able to designate areas, whether that is what the provinces want or not. The minister probably is aware of the fact that the province of Ontario has designated a totally different list of places than has the federal government, and this was done with consultation. So, I am opposed to this type of consultation if it means there has to be agreement. From the minister's remarks, I would think that by consultation he really means concurrence or agreement concerning what the areas shall be.

• (5:00 p.m.)

I suggest this is the kind of philosophical difficulty we have. Those who are responsible in the federal government for designating areas should co-operate with the provinces. There must be consultation in that co-operation. The federal government sets the criterion and makes the decision about designated areas. They should have decided about Halifax. They should not have let the provincial government carry on the consultation to the stage where everyone was so confused that even the people representing that area did not know whether it was designated. What the minister decides will probably give a better indication of what he intends to do about the federal responsibility in taking the initiative on this matter. The province should know what areas are going to be designated and be in a position to make representations. If the decision is made after agreement, I am opposed to the amendment.

[*Translation*]

Mr. Fortin: Mr. Chairman, I cannot believe that the minister would have said that the amendment proposed by the previous speaker could be inserted elsewhere than in the place suggested since it appears that where it says in the bill, for instance:

The Governor in Council may, by order—

—that means federal government does not promise that there will necessarily be consultations with the provinces before programs are elaborated or development or special areas are designated.

As for us, we should like to be sure that the federal government will take concrete measures to reduce regional disparities in conjunction with the province. So as to be sure of it, we think it is most appropriate to add at the place suggested the following words:

—after consultation with the province or provinces.

Besides, Mr. Chairman, that is very important. It is the very heart of the matter. The minister has said it himself and I take the liberty to recall something to him in that

connection. A well-known editorialist, Mr. Clément Brown, did it also in an article published in *Montréal-Matin* on February 19, and I quote:

It is in the delimitation of growth areas that we will find out if the federal government intends to practise with the provinces the co-operation which it considers essential.

I will refrain from reading the remainder of the sentence which is fantastic.

Mr. Chairman, in my opinion, it is quite important that the house be assured not only verbally but through deeds, as the minister said a while ago, that there will be a very close co-operation between the federal government and the provinces because, if not, one will will undo what the other has done.

Consequently, we find that amendment worthwhile and we cannot understand why the minister does not think so.

Mr. Marchand (Langelier): There is no one who does not understand, and rightly so, that there cannot be any objections as far as the principle is concerned. My own objections have nothing to do with the principle itself, since I agree with it.

However, if the mover was willing to drop the words "or provinces"—

[*English*]

We would keep the idea of consultation with the provinces. I think that legally the singular includes the plural, so you do not have to add the word "provinces". It may be confusing.

The Deputy Chairman: Shall the amendment carry?

Some hon. Members: Agreed.

Amendment (Mr. Comeau) agreed to.

The Deputy Chairman: Shall the clause as amended carry?

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

Clause as amended agreed to on division.

The Deputy Chairman: Shall clause 25 carry?

On clause 25—*Plans for economic expansion.*

Mr. MacDonald (Egmont): Mr. Chairman, here we are defining the way in which the minister is going to be able to carry out his functions in terms of the plans for economic expansion in particular. One of the problems which concerns members in all parts of the house is not being sure that one of the critical areas of co-ordination in fact occurs effectively.

We know in the first instance a number of departments or parts of departments and agencies have been brought under this new department, and others with respect to regional development have been created. We also recognize this has been a weakness right through the piece of legislation. If programs and plans of other departments are not effectively tailored, the benefits achieved from the actions of this particular department will be minimal to say the least. The minister indicated that he presumably will have some form of veto power, with regard to the cancellation of certain kinds of programs, such as military installations or perhaps public works projects.

What we are talking about here is something much more important to the day by day workings of government administration and particularly the on-going design of fiscal and monetary policies. Under the old FRED set-up there was established a FRED board. I think that one provision relating to the FRED board was that ten senior officials would meet. It was a fairly structured affair that had application to the design and implementation of FRED plans. That board has been shelved, of course, because the FRED legislation as such is disappearing. I think what was being attempted under that program was the whole business of effectively co-ordinating under this minister and his department, policies of the federal government that would encourage rather than discourage regional development. That is the kind of business we are about.

I shall, therefore, move an amendment to add a new subclause (c) to this clause. The subclause would spell out specifically, but not so specifically that it would limit or prevent the minister doing the kind of things necessary to achieve that end, the kind of device which I think will be useful if this department is to achieve the purposes the minister has outlined. I, therefore, move the addition of a new subclause (c) to clause 25 as follows:

(c) preside over a co-ordinating council consisting of senior officials of departments or agencies which in the opinion of the Governor in Council have responsibility for policies or programs affecting economic expansion and social adjustment. This council shall endeavour to advise and co-ordinate policies and programs with a view to achieving a measure of national economic and social equality.

The Deputy Chairman: Shall the amendment carry?

[*Translation*]

Mr. Marchand (Langelier): Mr. Chairman, I am firmly opposed to this amendment. I think it is really a household matter. It would be wrong, I think, to provide in such a legislation that a minister is to chair a committee composed of officials of other departments. We would then confuse things. I am sure there will be an interdepartmental committee to study these matters; so it is a matter of internal economy. To me, it would be a mistake to introduce such a provision and it would not faster the co-operation.

The government has the responsibility to set up committees, and this is essential, if the legislation is to be efficient. Therefore, I shall always be opposed to the introduction of such a provision.

[*English*]

Mr. MacDonald (Egmont): Mr. Chairman, I can accept that the minister might have some objection to this particular suggestion, but I think the level of objection he has registered is more emotional, if I may put it that way, than anything that could be considered as being in the nature of logic.

• (5:10 p.m.)

The essence of what is being attempted in this amendment is to make known that there will be some definite machinery not just the good will of the minister or the occasional urging of some of his senior officials. We have learned in the past that this has not been terribly effective. The fact that the FRED board is being abandoned indicates, I suppose, that it also has not been terribly effective, although the minister has not said this. I think a government which only a little more than two years ago instituted such a board in the legislation could not have suddenly concluded that the basic ideas it had were all bad. I think both this chamber and the people of this country have a right to know in what ways a problem will be dealt with. This is a great problem and cannot be glossed over by saying the minister would not feel very comfortable. The argument used by the minister against the institution of some form of machinery, which will undoubtedly be needed, can hardly be said to be convincing.

I do not think anyone here should underestimate the importance of having such machinery clearly spelled out, even in a statute, if we are going to convince the many little empires that we know develop in a bureaucracy as large as the one which must deal with the peoples of this country, that it would be effective in overcoming a problem that is so thoroughly entrenched in our whole economic makeup. The attitude of these Empires will not in any way be altered simply because nine bits and pieces of other departments are suddenly appearing together under one department along with new bits and pieces that are being added. I think there must be, in the context of this legislation, a clearcut statement on the machinery which will be used in order not only that the minister and his department but that all departments know that the government is ultimately serious about dealing with the problems of regional disparity.

I think the minister's answer to me is not a sufficient one. I am prepared to present a counter suggestion which will really carry some weight, but I think it must be included in the legislation.

Mr. Bell: Mr. Chairman, in rising to support the amendment put forward by the hon. member for Egmont I cannot help but go back to some previous examples. I see here the President of the Treasury Board, and I am reminded very vividly of the difficulties which we had in the designation of Saint John, Halifax and Fredericton to which I referred a minute ago. Certain criteria were set up, I understand, and it was admitted on one or two occasions that many of the officials involved were in favour of including these cities under one of the clauses, which could have been done by stretching an interpretation. I said this in the house, and the minister knows I stood up many times and said it. I gave him credit for being straightforward about it, but I still feel that if he had not taken a rigid position against those cities there would have been time to take some action with regard to them later when it was pointed out to him and to everyone concerned that a designation was necessary.

In my opinion, this amendment will detract from the arbitrary powers of one man who, for different reasons, may become prejudiced against an area. For that reason, I think that this amendment will enable us to avoid some mistakes of this nature that were made in the past.

Mr. Schreyer: The mover of this amendment will forgive me, I am sure, if I say that it is the kind of amendment with which one can sympathize and agree while at the same time being unable to work up any strong feelings about it. It seems to me that what the hon. member is proposing is logical enough,

but the responsibility for co-ordination, it must be understood, rests with the minister. How he achieves that co-ordination is up to him, up to his own sense of responsibility and his own ingenuity. It must be said also that what is proposed here is unorthodox in terms of the standing or traditional relationship between the minister and his advisers.

I find it difficult to conceive a situation in which a minister of one department is empowered by law to preside over a committee of officials coming from many departments of government. It would certainly not disappoint us if the minister were to accept the spirit of the amendment but, as I have said, it seems an amendment of the kind which could be put into effect without actually being on the statute books.

Mr. Drury: Reference has been made to the danger of a minister acquiring a prejudice against a person, or an institution or a community. I hasten to assure the committee that I have not acquired, nor do I have, any prejudice against St. John's or Halifax. The hon. gentleman suggested that by stretching the interpretation of the law his wishes could have been granted. He criticizes me, perhaps, as being prejudiced because I did not go along with that stretching. However, possibly this is irrelevant to the subject under discussion.

As the hon. member for Selkirk has just pointed out, the notion that a minister can preside over a department made up of officials from other government departments and reach conclusions which would govern those other departments really offends the whole idea of cabinet government and the structure in which we operate. A department must be responsible to and responsive to the minister of that department. Ministers can only operate in relation to other departments through the minister, not by way of a short circuit to officials. As hon. members are aware, the current system for securing co-ordination is through operational and functional committees of the cabinet where there is co-ordination between departments conducted at ministerial level. It would be a very curious arrangement indeed were a minister to preside over a committee of officials, senior or otherwise, from a number of other government departments with a view to co-ordinating the efforts of all departments concerned. As my colleague has pointed out, we already have an apparatus which functions satisfactorily. It is sufficient, I think, to overcome prejudices which might be supposed to exist in the mind of any particular minister and to achieve the co-ordination needed. I would ask the hon. member whether, in view of this, he would withdraw the amendment.

Mr. Bell: Is the minister suggesting there are no examples in the civil service at present of a minister presiding over a co-ordinating committee which is substantially advisory in nature? Has this arrangement never existed in the civil service? It strikes me there must be many examples of officials of the Department of Justice, for instance, being involved in matters affecting other departments, and there must be other instances of the same sort.

Mr. Marchand (Langelier): I know of some committees of ministers at which officials of various departments are asked to appear, but I do not know of any committee of officials over which a minister presides.

Clause 25 of the bill reads:

> —in co-operation with other departments, branches and agencies of the government of Canada (the minister shall) formulate plans for the economic expansion and social adjustment of special areas.

So, I have the authority to take the initiative.

• (5:20 p.m.)

Now, how is this decision going to be made? Will it be made by a committee composed of ministers, by ministers and officials, or by officials alone? I think this is a decision for the cabinet to make. The provision in the bill is too rigid. We may very well decide that a ministerial committee should handle this question and guarantee this co-operation; that might be preferable. I do not know why hon. members insist on having the committee they suggest, but if we do not have some kind of committee we cannot carry through with what is implied in clause 25.

For example, suppose we are interested in a particular transportation problem. I preside over the committee which has the minister or deputy minister of transport on it. The minister does not agree with a certain proposal of mine. What am I going to do in that event? I do not think the type of committee suggested will work.

Mr. Bell: The minister has undoubtedly given thought to this matter and probably knows more about the details than I. Just for the record, however, I should like to say that I would sooner count on the sympathy, understanding and kindness of some civil

servants than of some ministers I know who in the past have taken certain arbitrary action in these matters.

Mr. Lundrigan: Mr. Chairman, I am not completely familiar with every detail of the amendment proposed by the hon. member for Egmont, but undoubtedly he and other members of the committee have given it a great deal of thought. I spoke last evening on this bill, and if I said anything at all it was exactly this, that the minister will have to depend on the co-operation of other departments in dealing with problems. It is not a problem that the minister of regional economic expansion can solve himself; it is a problem for the cabinet, indeed for the whole government and the House of Commons.

Let me just give an example of what I mean. I have been pushing for the extension of runway facilities in Gander. The Minister of Transport has been hedging about this for weeks and months, which is what he wants. I have written letters both to him and to his parliamentary secretary but have received no co-operation. I have talked with the Minister of Public Works about the matter, but he does not seem to know what the problem of regional disparity is all about.

I should like to ask the minister a question. In the event that the minister is not totally in favour of this particular amendment that has been proposed, and which perhaps has not been given the required consideration, will the minister be willing to concede that some provision should be made to allow for the tying together of government departments in some co-ordinated manner in order to give the minister some leverage? If he is not willing to accept the amendment, will he agree to have it stand so that, if necessary, he can come back with an amendment basically along the same lines? This is the most important clause in the whole bill because the department will either succeed or fall on it, and it may well be where the government falls.

Mr. Marchand (Langelier): Mr. Chairman, I do not think I can stand the amendment. As I have said, I do not think we should have such a committee. I think we must have some kind of interdepartmental committee to work within the law. It may even be necessary to have a cabinet committee; I do not know about that. We have no experience on which to draw. But we do have the authority of the law, and the law induces us to do certain things. How we are to carry out certain programs

[Mr. Bell.]

I do not know. We shall have to gain experience and we shall have to consider the best type of committee to set up. That would be wise. I think the law contains all the necessary provisions. It will be necessary for us to obtain co-operation. In any event, I would not wish to be bound by an inadequate law and be forced to come back to the house after a period of months and ask for an amendment. I think the provisions of the law are adequate and I do not think the amendment will do anything. I think the appropriate structures for implementing the law exist.

Mr. MacDonald (Egmont): Mr. Chairman, I do not wish to delay passage of the bill but it seems to me that we are now talking about one of the gut issues of this new department, to use the vernacular. I am, therefore, amazed to find the minister opposing something which would assist him. As to the argument put forward by the President of the Treasury Board on the setting up of these committees, I say to him that if what he says is correct, how is it that there has not been greater improvement in introducing the necessary kind of co-operation we envisage under this bill. As I see it, this is a lingering problem. The minister and his officials have considered this matter for nine months and have not formulated anything more specific than the vague phrase, "co-operation with other departments". There is nothing substantial in language like that. It says nothing to agencies and other departments of government that may be involved, and does not tell them they must co-operate with the minister. At least, that is my interpretation. As time goes on, I think the minister will discover that we have tried here to grapple with one of the basic issues confronting the department in its work and that we have not been successful in instituting the right kind of machinery.

Mr. Marchand (Langelier): I do not think the amendment will serve any purpose.

An hon. Member: I cannot think of a better amendment.

Another hon. Member: Five o'clock.

Mr. MacInnis: Mr. Chairman, may I say something—

Mr. Marchand (Langelier): Five o'clock.

Mr. MacInnis: Did someone on the government side call it five o'clock?

Mr. Marchand (Langelier): Yes. We did. We called it five o'clock since we will not finish this bill today.

Mr. MacInnis: I wanted to make a few remarks, Mr. Chairman.

Mr. McGrath: On a point of order, Mr. Chairman. I wanted to speak for about five minutes on the potential of the committee that is to be set up. Did the minister call it five o'clock?

Mr. Marchand (Langelier): Yes. That is what I did.

The Deputy Chairman: Order, please. The time being five o'clock it is my duty to rise, report progress and request leave of the house to sit again.

Progress reported.

[Translation]

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Béchard): I have the honour to inform the house that a message has been received from the Senate informing this house that the Senate have passed Bill S-23, an act to amend the Canada Shipping Act, and Bill S-29, an act respecting the production and conservation of oil and gas in the Yukon Territory and the Northwest Territories, to which concurrence of this house is desired.

• (5:30 p.m.)

[English]

BUSINESS OF THE HOUSE

Mr. Knowles (Winnipeg North Centre): Has the President of the Treasury Board any amendments to make on the order of business for Monday?

Mr. Drury: Mr. Speaker, on Monday I think, not having completed this bill today on its tenth day, as I understand, we will commence with the bill relating to amendments to the Superannuation Acts, Bill C-178, to be followed by item No. 62, an act respecting maritime freight rates. Following that we will take item No. 56, an act to amend the Financial Administration Act. Thereafter, the business will be as previously outlined by the President of the Privy Council for Monday. It is to be expected that Tuesday and Wednesday would be allotted days. With respect to the program for Thursday, I think the government house leader would want to consult about that again, having regard to progress made.

The Acting Speaker (Mr. Béchard): It being after five o'clock, this house stands adjourned until Monday at two o'clock p.m.

At 5.34 p.m. the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Monday, March 24, 1969

The house met at 2 p.m.

[*Translation*]

ROUTINE PROCEEDINGS

HEALTH, WELFARE AND SOCIAL AFFAIRS

Sixth report of Standing Committee on Health, Welfare and Social affairs, in French and English—Mr. Gaston Isabelle (Hull).

[*Editor's Note: Text of foregoing report appears in today's Votes and Proceedings.*]

[*English*]

FINANCE

RAISING OF PRIME LENDING RATE BY CHARTERED BANKS—MOTION UNDER S.O. 43

Mr. Max Saltsman (Waterloo): Mr. Speaker, I rise under the provisions of Standing Order 43 to ask the house to agree to a motion which I shall read in a moment. Perhaps I might read Standing Order 43, which is as follows:

A motion may, in case of urgent and pressing necessity previously explained by the mover, be made by unanimous consent of the house without notice having been given under Standing Order 42.

The Standing Order provides the opportunity for a short explanation. May I do so briefly, Mr. Speaker?

It is obvious to all that interest rates have been rising continuously, creating an unjust and inequitable burden for the Canadian public, culminating Thursday in a decision by the Canadian chartered banks to charge 7.5 per cent as their prime lending rate. If this trend is permitted to continue housing and public policy at the federal, provincial and municipal levels may be frustrated.

This is the result of the amendments to the Bank Act made in 1967, which removed the interest level ceiling that banks could charge for loans, and which also gave the chartered banks more flexibility to take deposits and lend money. The possibility of this situation arising was recognized by the committee at that time, and in the committee report they said as follows:

Your committee recognizes—

Mr. Speaker: Order, please. My interpretation of Standing Order 43 is that the explanation which the hon. member may give to the house at this time should be brief and succinct. I think we will get ourselves into serious difficulties if every day, under the guise of Standing Order 43, hon. members were to make long speeches and to suggest that there might be unanimous consent and agreement of the house to discuss a grievance of some kind. I believe that for the good and orderly consideration of the house business the statement being made by the hon. member at the present time should be brief.

Mr. Saltsman: Thank you, Mr. Speaker. I had concluded my introductory remarks. I was just pointing out that the committee made a recommendation that the Bank Act should be examined in the case of an emergency and I believe that such an emergency has arisen. Therefore under the provisions of Standing Order 43 I ask leave to move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the Standing Committee on Finance, Trade and Economic Affairs be authorized to meet forthwith and proceed as quickly as possible to investigate, analyse, and hear evidence on the Bank Act, the Bank of Canada Act and the Quebec Savings Bank Act.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker—

Mr. Speaker: Order, please. I suggest to the hon. house leader of the government that what we should do at this time is ask the consent of the house. If there is no unanimity the motion should not be put. I suggest to hon. members that there should not be a debate on this kind of motion.

Mr. Macdonald (Rosedale): Perhaps I could indicate, Mr. Speaker, that there would not be unanimous consent.

Mr. Speaker: Order, please. There not being unanimous consent the motion cannot be put to the house.

Questions

TELESAT CANADA ACT

MEASURE ESTABLISHING CORPORATION FOR TELECOMMUNICATION BY SATELLITE

Hon. Eric W. Kierans (Postmaster General) moved for leave to introduce Bill No. C-184, to establish a Canadian corporation for telecommunication by satellite.

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

CANADA SHIPPING ACT

AMENDMENTS DEFINING "AIR CUSHION VEHICLE" AND CLARIFYING OTHER PROVISIONS

Hon. Donald S. Macdonald (for the Minister of Transport) moved the first reading of Bill No. S-23 (from the Senate), to amend the Canada Shipping Act.

Motion agreed to and bill read the first time.

• (2:10 p.m.)

OIL AND GAS PRODUCTION AND CONSERVATION

MEASURE ESTABLISHING OIL AND GAS COMMITTEE, AND REGULATING POWERS OF GOVERNOR IN COUNCIL

Hon. Donald S. Macdonald (for the Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill No. S-29 (from the Senate), respecting the production and conservation of oil and gas in the Yukon Territory and Northwest Territories.

Motion agreed to and bill read the first time.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

ATTENDANCE AT OLYMPIC GAMES, MEXICO

Question No. 575—**Mr. Coates:**

1. How many officials of the federal government attended the Olympic Games in Mexico, what were the names of the individuals in question, what department of government are they associated with and what was the purpose of their attending the games in each instance?

2. What was the total cost to the federal government to have these officials attend the games and what is the breakdown for travel, accommodations and meals?

[Mr. Speaker.]

Hon. John C. Munro (Minister of National Health and Welfare): 1. Seven employees of the Department of National Health and Welfare went to Mexico for the purpose of establishing and operating a Canadian co-ordination centre to: (a) assist the Canadian delegations representing the cities of Montreal and Vancouver in their bids for hosting the 1976 Olympic Summer and Winter Games; (b) assist the news media representatives in providing pregame coverage of Olympic activities as well as of the Canadian Olympic Team in training; (c) facilitate communications between the Press, the Canadian delegations, the Canadian Olympic Team, the International Olympic Committee, representatives of International Sports Federations and generally assist the Canadian Embassy in these tasks; (d) assist the Canadian Olympic Association in providing services to the Canadian Olympic Team, and provide a comprehensive photographic coverage of the team's activities; (e) attend congresses of International Sports Federations and lend support to Canadian delegations bidding for the hosting of World Championships in Canada. Mr. L. E. Lefaive, Director, Fitness and Amateur Sport Directorate; Mr. T. Bedecki, Assistant Director, Fitness and Amateur Sport Directorate; Mr. G. A. Lahaie, Chief, Program Admin., Fitness and Amateur Sport Directorate; Mr. T. Peterson, Sports Consultant, Fitness and Amateur Sport Directorate; Mr. G. L. Lomer, Information Officer, National Health and Welfare; Mr. H. J. Leclair, Photographic Co-ordinator, National Health and Welfare; Mr. H. W. Adams, Director, Information Division, National Health and Welfare.

2. $12,203. Travel expenses (air travel and taxis), $2,875; accommodation and meals, $2,095; tickets to Olympic events, $623; other costs associated with establishing and operating Press, Information and Co-ordination Headquarters, $6,610.

ATTENDANCE AT OLYMPIC GAMES, MEXICO

Question No. 601—**Mr. Mazankowski:**

1. How many people were sent by the government, to attend the Canadian Olympic Teams, in Mexico, other than Canadian Broadcasting Corporation personnel?

2. What are the names of these people?

3. What was the duration of their stay in Mexico, individually?

4. What was paid to each person for travelling allowances, per diem expenses, etc.?

5. What was the total cost of this delegation to Mexico?

6. What department was charged with this expense?

Hon. John C. Munro (Minister of National Health and Welfare): 1. The Minister of National Health and Welfare, accompanied by seven employees of the Department, went to Mexico for the purpose of establishing and operating a Canadian co-ordination centre.

2. The Hon. John Munro, Minister, National Health and Welfare; Mr. L. E. Lefaive, Director, Fitness and Amateur Sport Directorate; Mr. T. Bedecki, Assistant Director, Fitness and Amateur Sport Directorate; Mr. G. A. Lahaie, Chief, Program Admin., Fitness and Amateur Sport Directorate; Mr. T. Peterson, Sports Consultant, Fitness and Amateur Sport Directorate; Mr. G. L. Lomer, Information Officer, National Health and Welfare; Mr. H. J. Leclair, Photographic Co-ordinator, National Health and Welfare; Mr. H. W. Adams, Director, Information Division, National Health and Welfare.

3. The Hon. John Munro: 4 days, October 10-14 incl.; Mr. L. E. Lefaive: 25 days, October 2-26 incl.; Mr. T. Bedecki: 12 days, October 5-17 incl.; Mr. G. A. Lahaie: 19 days, October 2-20 incl.; Mr. T. Peterson: 11 days, October 6-17 incl.; Mr. G. L. Lomer: 22 days, October 2-23 incl.; Mr. H. J. Leclair: 24 days, October 2-26 incl.; Mr. H. W. Adams: 6 days, October 19-25 incl.

4. The Hon. John Munro: $400; Mr. L. E. Lefaive: $1,006; Mr. T. Bedecki: $377; Mr. G. A. Lahaie: $671; Mr. E. T. Peterson: $566; Mr. G. L. Lomer: $776; Mr. H. J. Leclair: $984; Mr. H. W. Adams: $590.

5. $12,203.

6. The Department of National Health and Welfare.

*REGIONAL DESKS—EMPLOYEES, SALARIES AND MAINTENANCE OF OFFICES

Question No. 1,099—**Mr. Alkenbrack:**

1. How many regional information offices are being set up across Canada for the reported purpose of keeping the Prime Minister and his ministry informed as to regional opinions and conditions?

2. What is the location of each of these offices?

3. How many people are employed at each office?

4. What are the names and the amount of the salary of each employee in these offices?

5. What is the total cost per year of the maintenance of these offices?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, the answer to starred question No. 1,099 is as follows: 1. No regional informational offices are being set up for the purpose of keeping the Prime Minister and his ministry informed as to regional opinions and conditions. The Prime Minister has, however, created a regional desk section in his own office. The role of the desk officers was defined in the answer to question No. 1,008, at page 6,507 of *Hansard* of March 12, 1969.

2. The regional desks are located in Ottawa.

3. A desk unit usually comprises a desk officer and his secretary.

4. Regional Adviser to the Prime Minister: Pierre Levasseur, $20,000 per annum. Special Assistant; Philip Elder, $11,000 per annum.

Desk officer for Western Canada: David Thomson, $15,000 per annum.

Desk officer for Quebec: Jean Prieur, $12,000 per annum.

Desk officer for the Atlantic Provinces: Jean-Eudes Haché, $9,500 per annum.

Some hon. Members: Shame.

Some hon. Members: Discrimination.

Mr. Walker: Secretaries: Miss Ann Jamieson—ST-8, $6,851 per annum; Miss Céline Arsenault—ST-6, $5,383 per annum.

5. As the offices are located in the East Block, Ottawa, there is no discernible cost.

Some hon. Members: Oh, oh.

VOLUME OF MAIL—STAMP SALES

Question No. 1,300—**Mr. Macquarrie:**

1. How many items were mailed in Canada in the following periods (a) December 1 to December 31, 1966, (b) December 1 to December 31, 1967 (c) December 1 to December 31, 1968?

2. What was the total of receipts from the sale of stamps for each of the following periods (a) December 1 to December 31, 1966 (b) December 1 to December 31, 1967 (c) December 1 to December 31, 1968?

Hon. Eric W. Kierans (Postmaster General): In so far as the Post Office Department is concerned: 1. The following are the volumes of first class short and long items mailed in 18 of the largest Post Offices during the month of December 1966, 1967 and 1968: (a) 1966, 184,063,415; (b) 1967, 195,335,831; (c) 1968, 193,754,505. Volume figures for first class mail are not maintained on a continuous basis in other post offices. Volume figures with respect to other classes of mail are not

maintained in such a way as to permit a reply being given for any specific month.

2. (a) 1966, $18,743,777; (b) 1967, $19,791,644; (c) 1968, Not available until end of March 1969.

OFFICE OF THE PRIME MINISTER
PRESS RELEASES

Question No. 1,490—**Mr. Howard (Skeena):**

1. Does the Office of the Prime Minister issue documents which are of the nature of press releases, press communiques, news releases or the like and, if so, how many such documents have been issued since July 1, 1968?

2. What has been the cost of (a) printing headings or cover sheets (b) typing the stencils (c) mimeographing or other form of duplicating (d) collating and stapling (e) addressing and mailing the said documents?

3. With respect to the paper used for the said documents, what is (a) its quality (b) the quantity used and the cost thereof?

4. What is the estimate of the number of man-hours consumed in the preparation, production and distribution of such documents?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): 1. Yes; 82.

2. (a) $2.04; (b), (c) and (d) This work is done by members of the Prime Minister's staff and/or in a combined messenger, mail and duplicating section of the PMO/PCO. Therefore, there is no additional discernible cost; (e) $230, being the cost of envelopes.

3. (a) No. 7, white bond 40M; (b) 460,000 sheets at a cost of $2.58M.

4. Approximately seven man-hours per release.

UNCOLLECTIBLE STUDENT LOANS

Question No. 1,509—**Mr. MacRae:**

What is the total amount that has been written off as uncollectable under the Canada Student Loans Plan from its inception to December 31, 1968?

Hon. E. J. Benson (Minister of Finance): Under Section 8 of the Canada Student Loans Act, a borrower's obligation is extinguished in the event of his death whereupon it becomes payable by the government on the borrower's behalf. Since the inception of the Plan to December 31, 1968, $137,000 was paid under Section 8. This amount is not recoverable from the estates of deceased borrowers.

[Mr. Kierans.]

Under Section 9 of the Canada Student Loans Act, the government is required to reimburse a bank against loss incurred in connection with loans in default. Once a claim is paid by the government to a bank under this guarantee, the borrower's obligation is then owed to the Crown, but continues to exist. Collection action is continued to retire the debt then owing to the Crown, including certain costs chargeable to the borrower. Since the inception of the Plan to December 31, 1968, $507,090 were paid in respect of defaulted loans. This amount remains recoverable from the borrowers, and none of it has been written off. An additional $22,000 was paid during the same period for costs not recoverable from borrowers.

CHARGES LAID BY R.C.M.P.

Question No. 1,513—**Mr. Robinson:**

1. How many charges were laid by the R.C.M.P. for each of the years 1960-68 inclusive?

2. How much revenue was received as a result of fines, penalties and costs?

3. What was the total cost of all prosecutions?

4. How many charges for driving offenses were laid for each of the years 1960-68 inclusive by RCMP constables?

5. How many convictions were registered for driving offenses during each of the years 1960-68 inclusive?

6. How much revenue was obtained from the driving offense convictions?

7. What was the total cost of prosecutions for driving offenses in each of the years 1960-68 inclusive?

Hon. G. J. McIlraith (Solicitor General): 1. 1960/61, 223,295; 1961/62, 236,960; 1962/63, 356,157; 1963/64; 483,177; 1964/65, 493,844; 1965/66, 532,338; 1966/67, 569,072; 1967/68, 635,732; 1968 (Apr. 1—Dec. 31 only), 558,834.

2. $8,701,875.72.

4. 1960/61, 124,573; 1961/62, 137,741; 1962/63, 145,247; 1963/64, 200,953; 1964/65, 204,761; 1965/66, 246,615; 1966/67, 278,181; 1967/68, 325,448; 1968 (Apr. 1—Dec. 31 only), 297,239.

Parts 3, 5, 6 and 7 are within provincial and municipal jurisdiction and statistics are only available through these sources.

ART GALLERY EXHIBITIONS

Question No. 1,521—**Mr. Dinsdale:**

1. What was the total cost to the National Art Gallery of (a) the Jordaens Exhibition (b) the Tutankhamon Exhibition (c) the Dead Sea Scrolls Exhibition?

2. What was the total attendance at each of these exhibits and how much was realized in admission receipts?

Hon. Gérard Pelletier (Secretary of State): I am informed by the National Museums of Canada as follows:

1. (a) Final costs are not yet available; (b) $7,705.00; (c) $6,222.00.

2.

	Attendance	Admission Receipts
(a)	18,000	$13,000
(b)	106,056	Free
(c)	56,000	Free

CANCELLATION OF MOTOR VEHICLE SAFETY STANDARDS

Question No. 1,529—**Mr. Mather:**

Were motor vehicle safety standards formerly issued by the Canadian Government Specifications Board cancelled for: height and extension of bumpers, rear-window vision aid, ash trays and lighters, head-rests for front seas, roll bars, outside ornamentation, accessories and profusions, rear luggage compartment carrier and, if so, for what reason?

Hon. Donald C. Jamieson (Minister of Defence Production): In so far as the Department of Defence Production is concerned: Yes. Due to the Canada-U.S. Automotive Agreement, the Canadian automotive industry became committed to adjusting their total production to conform to U.S. mandatory standards and it was not desirable to continue the Canadian Government Specifications Board motor vehicle standards for features that could not then be made available without undue delay and expense. Since that time the cancelled standard for Head Rests for front seats has been replaced by an improved standard. The development of replacement Canadian Government Specification Board standards for height and extension of bumpers, rear-window vision aids, ash trays and lighters, roll bars, outside ornamentation, accessories and protrusions and rear luggage compartment barrier is underway in line with parallel action in the United States.

TRANSPORTATION SUBSIDIES ON FEED GRAIN

Question No. 1,543—**Mr. Dumont:**

1. What were the subsidies, per ton, paid by the federal government during the 1966-67 crop year for the transportation (a) by ship (b) by rail, of feed grains from the Lakehead to the various ports on the St. Lawrence?

2. What was the cost of the subsidies paid for the transportation of such grain (a) by ship, and (b) by rail?

3. Will the government make a study of the difference between the subsidies paid for transportation by ship and the subsidies paid for transportation by rail in order to determine whether such difference would offset the cost of building warehouses on the St. Lawrence?

4. What is the role of the Board of Grain Commissioners with regard to the storage, transportation and resale of feed grains to the farmers of Eastern Canada?

Hon. H. A. Olson (Minister of Agriculture): In so far as the Department of Agriculture is concerned: 1. The average subsidy per ton paid by the federal government on shipments of feed grains during the crop year 1966-67 to destinations in the Province of Ontario was $5.28, to destinations in the Province of Quebec was $7.68, and to destinations in the Atlantic Provinces was $13.17. The rates of freight assistance on feed grains under the Feed Grain Assistance Regulations of the Livestock Feed Assistance Act are the same whether the grain has been transported by rail or by ship.

2. Since the rate of assistance does not differ between water and rail movement, data on freight assistance paid on each separately are not available. During the crop year 1966-67, 2,472,524 tons of feed grains were shipped into Eastern Canada under the program, at a total cost of $18,394,712.

3. No difference exists in rates of assistance applicable to rail and ship movement.

4. The Board of Grain Commissioners is responsible for the general supervision of storage and movement of grain through the Eastern Elevators that are licensed under the Canada Grain Act. The Board's principal responsibility relates to the licensing of the elevators, the inspection and weighing of the grain, the rates permitted to be charged for storing and handling grain at the licensed elevators, the registration of documents covering the grain, and the reporting of details of stock and handlings. Official sampling and inspection service is available on request at eastern elevators.

Under the Inland Water Freight Rates Act the Board of Grain Commissioners has authority to set maximum rates that apply on Canadian lake grain cargoes.

The Board of Grain Commissioners is not involved in the actual merchandising of grain.

Questions

"BLACK BAY" CORN CARGO

Question No. 1,545—**Mr. Dumont:**

1. In 1968, did the *Black Bay* anchor at Quebec for several days and, if so, was it able to unload at that port and, if not, for what reasons?

2. Was the *Black Bay* ordered to proceed to Montreal with its cargo and, if so, for what reasons?

3. At what price did a co-operative in the constituency of Bellechasse obtain at that time, corn unloaded from the *Black Bay* in Montreal?

4. What was the established price, transportation costs included for such corn at Quebec City?

5. By whom was the difference in transportation costs paid?

6. What was the specific role played by the Canadian Livestock Feed Board in this connection and what are the names of its members?

Hon. H. A. Olson (Minister of Agriculture): 1. The M/V *Black Bay* arrived at Quebec City on the evening of October 29, 1968. It was not accepted for unload at the elevator at that port on the basis of limitation of space in the elevator.

2. The M/V *Black Bay* was ordered by the shipper of the cargo to proceed to Montreal for unload due to the inability to discharge the cargo at Quebec City.

3 and 4. Information on price and cost of such transactions are known only to the buyer and seller concerned.

5. The Canadian Livestock Feed Board will pay the cost of transporting this grain from Montreal to destinations, less the cost of transport from Quebec City to destination.

6. Answered by 5. The members of the Board are: R. Perreault; C. Huffman; W. Dernier; J. McDonough.

PENSION PAYMENTS TO JAMES COYNE

Question No. 1,570—**Mr. Coates:**

What has been the total amount received by James Coyne as of January 31, 1969 in pension funds since his retirement as Governor of the Bank of Canada?

Hon. E. J. Benson (Minister of Finance): Mr. Coyne has received the pension, already described by the Minister of Finance on November 18, 1963 in reply to a question by the Member for Cape Breton North and Victoria (*Hansard* page 4856), since his retirement on July 13th, 1961.

*STATUS OF REGIONAL DESKS

Question No. 1,608—**Mr. Nesbitt:**

1. Are the recently established "Regional Desks" directly attached to the Office of the Prime Minister or are they a part of the operation of the Privy Council Office?

2. Who are the personnel involved in the "Regional Desk" operation, where in Canada are they located and what are their individual functions?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, the answer to starred question No. 1608 is as follows: 1. The regional desks are attached directly to the office of the Prime Minister.

2. The personnel involved in the regional desk section, and their functions, are as follows:

Regional Adviser to the Prime Minister: Pierre Levasseur. Special assistant; Philip Elder.

Desk officer for western Canada: David Thomson.

Desk officer for Quebec: Jean Prieur.

Desk officer for the Atlantic provinces: Jean-Eudes Haché.

Secretaries: Miss Ann Jamieson; Miss Céline Arsenault.

All these persons are located in Ottawa.

*STARTING TIME OF LETTER CARRIERS

Question No. 1,622—**Mr. Orlikow:**

1. Has the Post Office Department changed the starting time for letter carriers?

2. Does the Department intend to establish a nine and one-half hour work day for letter carriers on Monday of each week?

3. Were these proposals discussed with the employees?

Hon. Eric W. Kierans (Postmaster General): In so far as the Post Office is concerned: 1. No.

2. No.

3. There were no proposals and consequently no discussion.

SAULT STE. MARIE, MICHIGAN—OPENING OF POE LOCK

Question No. 1,639—**Mr. Foster:**

Has the Prime Minister received an invitation to take part, with the President of the United States, early in June, 1969, in the official opening of the $40,000.00 Poe Lock at Sault Ste. Marie Michigan, built by a Canadian construction firm and, if so, does he plan to attend and participate in the official ceremonies?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): No such invitation has been received by the Prime Minister's office.

EXPENDITURES TO REHABILITATE ALCOHOLICS

Question No. 1,649—**Mr. Caouette:**

For the last three years, what was the total amount of the federal government's expenditures in each of the provinces for (a) rehabilitating alcoholics, and (b) educating the public about alcoholism, drug-addiction and drugs?

[*Translation*]

Hon. John C. Munro (Minister of National Health and Welfare): (a) and (b): Not available. Under the national health grants program the Department of National Health and Welfare provides funds to assist provinces to improve and extend services including treatment for alcoholism. A direct grant of $15,000 is made yearly to the Canadian Foundation for Alcoholism to encourage research.

[*English*]

TAX PAYMENTS

Question No. 1,692—**Mr. Caouette:**

For each of the past five years, by province, what was the amount of tax paid to the federal government by Canadian citizens and by corporations?

Hon. Jean-Pierre Côté (Minister of National Revenue): The information is not available in the form requested.

MAGDALEN ISLANDS—C.B.C. TRANSMITTING TOWER

Question No. 1,711—**Mr. Cyr:**

Does the Canadian Broadcasting Corporation own a television relay transmitting tower on the Magdalen Islands and, if so (a) in what year was it erected (b) what was its cost (c) what is its annual maintenance cost (d) how many Canadian Broadcasting Corporation employees are engaged in its maintenance (e) which television network is the source of the signal relayed by this tower?

Hon. Gérard Pelletier (Secretary of State): I am informed by the C.B.C. as follows: 1. Yes. a) 1964; b) Capital cost of the complete installation—tower, transmitter, land and building, etc. was approximately $180,000; c) Annual operating cost is approximately $10,000; d) Two C.B.C. maintenance technicians based at C.B.C. Moncton alternate in making monthly visits to the station for maintenance purposes. A local service man, not a C.B.C. employee, is available on call as required; e) The C.B.C. French Television Network.

Orders for Returns

C.B.C. NEWS, WEDNESDAY, MARCH 12

Question No. 1,754—**Mr. McCleave:**

1. Was the commentary following the news at eight a.m. Wednesday, March 12, on the CBC delivered live or had it been prerecorded?

2. If the latter, at what time and on what date?

Hon. Gérard Pelletier (Secretary of State): I am informed by the C.B.C. as follows: The "Preview Commentary" program of March 12 was prerecorded on March 11 at 10:30 p.m.

TAX ON $50,000 GROSS INCOME

Question No. 1,757—**Mr. Saltsman:**

1. For the most recent year that statistics are available, were any tax returns filed with a gross income from all sources in excess of $50,000 on which, legally, no income tax was paid?

2. If so, how many?

Hon. Jean-Pierre Côté (Minister of National Revenue): 1. Yes.

2. The income classes into which the tax returns of individuals are distributed are based on total income from all sources before exemptions and deductions, that is, gross income less expenses of operating a business, farm, etc. For the taxation year 1966, these statistics indicate that five tax returns filed with "total income" in excess of $50,000 on which no tax was payable because business losses of other years were applied to offset the current year's income.

QUESTIONS PASSED AS ORDERS FOR RETURNS

*VOLUME OF MAIL AND REVENUE THEREFROM

Question No. 1,142—**Mr. Coates:**

1. What was the volume of first and second class mail in Canada for the month of December, 1968, and what was the volume of first and second class mail in December for the years 1965, 1966 and 1967?

2. What was the gross revenue available to the Post Office Department from first and second class mail in the month of December for the years 1965, 1966, 1967 and 1968?

3. How many seasonal and part-time employees were taken on staff by the Post Office Department in the month of December in the years 1965, 1966, 1967 and 1968?

4. Of the seasonal and part-time employees taken on staff in the years 1965 to 1968 inclusive, what was the estimated period in each of those years that such employment was necessary on a per man basis and if the time period was less in 1968, what was the reason for the shortened period of employment?

5. What method was used in 1968 for the selection of seasonal or part-time employees for the Post Office Department and did this method vary in any manner from previous year and, if so, in what manner?

6. What was the estimated cost to the Post Office Department for seasonal or part-time employees for the month of December in each of the years 1965 to 1968 inclusive?

Return tabled.

DEFENCE PRODUCTION SUPPORT PROGRAMS

Question No. 1,283—**Mr. Robinson:**

1. Does the Department of Defence Production provide subsidies and/or support programs for any segment of the economy, groups or individuals inside Canada and, if so, to what extent, in what amounts, and to whom are the amounts paid?

2. What amounts have been paid for subsidies and/or support programs during each of the years 1960-68 inclusive?

Return tabled.

FRENCH SPEAKING INMATES IN B.C. PENITENTIARY

Question No. 1,436—**Mr. Howard (Skeena):**

1. For the 1st day of each month since January 1, 1963, how many inmates of the British Columbia Penitentiary were of French-Speaking origin?

2. What category of offences were committed by such inmates and what number of inmates were in each such category?

Return tabled.

*SUB-POST OFFICES OPEN ON SATURDAY

Question No. 1,572—**Mr. Rynard:**

1. Are all cities of Canada being provided with sub-post offices which will remain open on Saturday?

2. What is the basis for the location of a sub-post office and what is the per capita basis?

3. What is the rental charge for (a) individual postal lock boxes, and (b) commercial postal lock boxes?

Return tabled.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I make an appeal to you to assure the house that something will be done toward affording early answers to starred questions. That was the purpose and objective of starred questions. One of my questions is No. 1683. Seventeen days have now gone by and an answer to it has not yet been provided. The matter affects the Indian population of this country to a degree that few of us in this house realize, there having been no consultation with the Indians on the course that is being followed.

Another of my questions concerns the drying of wheat. The farmers of western Canada are very anxious to know the situation with respect to the drying of wheat. On March 7 I asked the following question:

1. How many bushels of wheat are estimated to have been dried since the 7th day of February in each of the Prairie Provinces?

2. What is the estimate of damp wheat dried in the terminals (a) Pacific Coast (b) elsewhere, during the said period?

I point this out, Mr. Speaker, because starred questions were not supposed to be an excuse for the government to refuse to give answers.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I should like to speak on the point of order to clarify the situation with regard to starred questions. As I understand it, in considering the questions the Table makes no effort to determine whether or not they can reasonably be answered within a period of three days. On that basis there can be no assurance that they can be answered in that period of time. In a particular case there may be a lack of precision or a breadth of scope such as to warrant it not being reasonably answered in three days. So the record should stand corrected, that there is no stipulation under the Standing Orders that starred questions must be answered in the period of three days or in any other period of time.

Mr. Diefenbaker: Mr. Speaker, may I say in answer that the excuse of the minister cannot apply to starred question No. 1683, part of which is as follows:

1. Does the government propose to take over the complete management of all Indian residences and hostels across Canada outside of the Northwest Territories?

2. If so, were the Indian tribes or bands affected thereby consulted on this drastic move?

3. Will the result be that henceforth Indian children in residence, whether Anglican or Roman Catholic, will be denied being in hostels of their parents' religious faith?

Those are the questions, and no excuse or evasion on the part of the hon. gentleman can be successful. If the Department of Indian Affairs does not know where it is going and is not able to furnish full information, parliament might as well close down.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I rise on a point of order. In reply to starred question No. 1608 the parliamentary secretary

did not answer the second part of part 2 of the question which is as follows:

—where in Canada are they located and what are their individual functions?

The question refers to regional desks, and in his reply the parliamentary secretary did not specify the functions of these regional desks. I wonder whether it can be drawn to his attention that he might avail himself of the next opportunity to give the house this information. There have been many nasty stories to the effect that the regional desks have a political purpose.

ORAL QUESTION PERIOD

PUBLIC SERVICE

GOVERNMENT ACTION IN CONTRACT NEGOTIATIONS

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to direct a question to the Acting Prime Minister, Mr. Speaker, and ask him whether he will clarify the situation with regard to the negotiations between the government and the Public Service Alliance in the light of the charges made by the president of the alliance that the government is stalling, and in view of the threat by the unions to break off contract talks.

Hon. Paul Hellyer (Minister of Transport): I think I will take the question as notice and see what information I can have tomorrow.

NATIONAL DEFENCE

A.B.M. PROGRAM—AGREEMENT WITH CANADA RESPECTING DEPLOYMENT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask the Acting Prime Minister a question arising out of the statement made by Mr. Melvin Laird, the United States Defence Secretary, before the foreign relations committee of the United States Senate when he said the United States had an agreement with Canada regarding the deployment of the anti-ballistic missile system. I want to ask the Acting Prime Minister if such an agreement does exist between the United States and Canada and, if so, whether a copy of such an agreement or an outline of its main features will be tabled in the house.

Hon. Paul Hellyer (Minister of Transport): In view of the fact that the Prime Minister is now in Washington and will be talking with the President today I think it might be desirable to leave this question until he returns, on the understanding that subsequent to his return either he or the Secretary of State for External Affairs would be willing to make a statement which would clear up the several questions which have arisen and which, I believe, revolve largely around the use of words rather than substantive matters.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The Acting Prime Minister is a member of the cabinet. Surely the Prime Minister is not the sole repository of all knowledge of what goes on in cabinet. I am asking whether there has been, as Mr. Laird said, any consultation regarding the deployment of the anti-ballistic missile system and, if such discussions have taken place, how the government reconciles this fact with the statements which were made in the house last Wednesday.

Mr. Hellyer: I do not think there is any conflict, really. There was discussion of the earlier system which had been planned by the United States; those discussions had gone back over a very long period of time. But to the best of my knowledge—and I should like to have this fully documented before a statement is made—there have been no discussions regarding the most recent change in the United States system, because it would not mean any substantive change as far as the effects on Canada are concerned. I think the hon. gentleman will appreciate that it would be better to make a full statement setting out all the relevant information he would like to have.

Mr. Douglas (Nanaimo-Cowichan-The Islands): While we will be glad to have a statement from the Prime Minister on his return, does the minister not agree that this whole question raised by Mr. Laird is an extremely important one? I want to ask the hon. gentleman whether he accepts Mr. Laird's position, namely that Canada has no power of veto over the location of these missile bases, or, as Senator Fulbright put it, that Canada can either like it or lump it. Does the Canadian government accept this position?

Mr. Speaker: Order. I have some doubt as to whether the question as asked is in order. At the same time I recognize the importance of the matter, and will leave it at that.

Right Hon. J. G. Diefenbaker (Prince Albert): In order to clarify this situation, if it

is at all possible, will the minister say whether the plan which was enunciated in advance by President Johnson was accepted by the Canadian government? If so, what is the difference between that plan and the present one put before Congress by President Nixon?

Mr. Hellyer: It is for that very reason that I think it would be better, rather than deal with the question piecemeal, to have a statement prepared which will give the background of the discussions—those which took place at ministerial level and those which took place at the official level—with a definition of the words used, in such a way that they would satisfy the right hon. gentleman who, I know, is very concerned about the proper use of the English language.

Mr. Diefenbaker: It is not precision I am concerned with, Mr. Speaker; it is truth.

Mr. Hellyer: In this case precision is necessary in order that the truth may be known. Some words are used in different contexts by different people.

Mr. Diefenbaker: Give us the facts.

Mr. Les Benjamin (Regina-Lake Centre): A supplementary question, Mr. Speaker. The minister prefers to wait before answering the question concerning the latest proposal by President Nixon, but can he say there was any agreement or any discussion between the United States government and the Canadian government concerning the earlier system proposed by President Johnson, specifically in connection with the location of A.B.M. sites to protect United States cities?

Mr. Hellyer: Mr. Speaker, there were indeed discussions, as indicated. I think the extent of those discussions and any inferences which can be drawn from them will become apparent in a statement that should be made in the house.

Mr. Donald MacInnis (Cape Breton-East Richmond): A supplementary question to the Minister of Public Works. Since he is making an attempt to get on the record, possibly he could make the statement regarding what Secretary Laird has to say.

[*Translation*]

AIRPORTS

MONTREAL—LOCATION OF INTERNATIONAL AIRPORT

Mr. Léonel Beaudoin (Richmond): I would like to put a question to the Minister of Transport.

[Mr. Diefenbaker.]

Could he tell the house whether a site has been chosen for the international airport?

[*English*]

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, no final decision has been made, but I hope it will be soon and that an announcement will be made very shortly.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, last week the Minister of Transport replied in the negative to a question on the order paper asking whether a decision had been made. Since the decision was supposed to be announced by the end of January and we are almost at the end of March, could the minister tell us the reason for the delay?

[*English*]

Mr. Hellyer: Mr. Speaker, I regret the delay very much. However, the reason for it is to make sure there is no possible chance that any information that should be considered in regard to the final decision is overlooked. I think anybody would agree that in a matter of this importance to the people of Montreal and the people of the province of Quebec, indeed to all the people of Canada, a matter involving, as it does, hundreds of millions of dollars, the decision should not be taken until all the considerations concerning air traffic safety, the effects on the people using the airport, the effects of noise and the effects on industrial development in the area, and so on, have been fully taken into account. It was for this reason that there was a few weeks delay.

[*Translation*]

Mr. Fortin: Mr. Speaker, I should like to put a supplementary question.

I thank the minister for the information he gave us. Does he know when approximately that decision will be made public; all Quebecers are most anxious to know that. Could he tell us when approximately the studies will be completed and when he will be able to make that decision public?

[*English*]

Mr. Hellyer: Mr. Speaker, the Prime Minister indicated in the house a few days ago that he hoped the decision could be announced within a week or two. I share that hope, and up to this moment at least there is no reason to believe that the announcement will not be as indicated.

EXTERNAL AFFAIRS

MAINLAND CHINA—U.S. PRESS REPORTS RESPECTING RECOGNITION BY CANADA

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Acting Secretary of State for External Affairs, or for the acting minister in charge, whoever it may be. Has the minister attempted to identify the anonymous diplomatic sources in Washington who have been busy over the past weekend, through the medium of the New York *Times*, spreading reports that China has ignored for some six weeks Canada's request to open talks on recognition?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I have no knowledge as to who these anonymous people might be.

POST OFFICE DEPARTMENT

MONTREAL—DELAY IN PARCEL DELIVERIES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Postmaster General in order to follow up an answer on Thursday regarding the situation in Montreal and the difficulty of moving parcels. Is the minister able to report as a result of his discussions any improvement in this situation?

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, at the present time another private contractor is pursuing discussions with the union in question and I am extremely hopeful that they will reach an agreement so that the services will continue in the hands of a private group. Because as hon. members know, the government will have to take a firm decision by the end of this week if these other arrangements are not reached.

MONTREAL—ABSORPTION OF ROD SERVICE EMPLOYEES

Mr. Louis-Roland Comeau (South Western Nova): A supplementary question, Mr. Speaker. On Thursday last the minister said the department were ready to absorb immediately Rod Service employees into the post office, including all but a maximum of 69 of the 110 to whom lay-off notices have been given. He went on to say that of the 424 employees, 27 are already on the staff and that another 254 have applied to join.

Mr. Speaker: Order, please. Will the hon. member please ask his question.

Inquiries of the Ministry

Mr. Comeau: Will the minister say directly how many positions, in addition to the 27 now filled, are being made available to the 254 people who have applied to join the department?

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, we have not made any additional positions available pending the outcome of negotiations with a new contractor and the union.

FINANCE

LOAN TO COMMONWEALTH TRUST COMPANY

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. In view of the importance of protecting Canada's good name abroad what action is the minister considering to investigate the financial situation in British Columbia of Commonwealth Trust Company and its associated companies?

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, since the minister has to be away on important public business I will take that question as notice.

Mrs. MacInnis: Mr. Speaker, may I ask the parliamentary secretary to take as notice also a related question. Has this matter been discussed with the Premier of British Columbia?

DRUGS

L.S.D.—REQUEST THAT DISTRIBUTION BE PROHIBITED

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. He is not here but perhaps his parliamentary secretary might take it as notice. In view of reported suicide attempts in Edmonton and Calgary resulting from use of l.s.d. and in view of the fear that Edmonton is being used as a dumping ground for international illicit drug syndicates, will the minister place l.s.d. under an absolute restriction so far as the use of that drug by the general public is concerned?

[*Translation*]

Mr. Rosaire Gendron (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I will take that question as notice and will bring it to the minister's attention.

Inquiries of the Ministry

[*English*]

Mr. Paproski: A supplementary question, Mr. Speaker. What action is being taken to control this extremely dangerous substance in order to prevent further personality destruction among young Canadians?

Mr. Speaker: I think the second question seems to be more general than the first one. In his supplementary question the hon. member really is asking for a general statement. Perhaps the minister may make this when he takes note of the hon. member's question.

[*Translation*]

NATIONAL PARKS

GASPÉ—PROJECT AT POINTE FORILLON

Mr. André Fortin (Lotbinière): Mr. Speaker, in the absence of the Minister of Indian Affairs and Northern Development, I wish to ask his Parliamentary Secretary a question concerning the disagreement which apparently exists regarding the establishment of a federal park at Pointe Forillon in the Gaspé peninsula.

In view of the fact that the federal government and that of the province of Quebec seem to be at odds, would the Parliamentary secretary ask the minister to make a statement on the offers the federal government has made to the province of Quebec regarding the establishment of this park and the answers it received from the authorities of the province of Quebec?

[*English*]

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the associate minister will be in the house tomorrow. Perhaps the hon. member could ask his question then.

GRAIN

AVAILABILITY OF BOX CARS

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is either for the Minister of Industry, Trade and Commerce or the Minister of Agriculture. In their absence perhaps the Acting Prime Minister could take it as notice, because it is extremely urgent. Considering the fact that many delivery points on the prairies have still not received any shipping orders for grain, and that many points which have received shipping orders cannot obtain box cars for delivery, what plans has the government to deal with the resulting critical cash situation as farmers face another crop year?

[Mr. Gendron.]

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I will be glad to refer this matter to the appropriate minister.

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. Would the Minister of Transport do something—

Some hon. Members: Hear, hear.

Mr. Diefenbaker: My sentence does not finish there, although there seems to be general approval. Would the minister do something to bring to the attention of the C.P.R. the serious lack of available cars, particularly in northern Saskatchewan. I believe this shortage applies also to other northern portions of Alberta and Manitoba served by C.P.R. lines. Nothing effective is being done. In a spirit of unification, could he bring about something approaching unity between the C.P.R. and the C.N.R. with respect to these box cars?

Mr. Hellyer: Mr. Speaker, I have made representations once or twice already, and I know the Minister of Industry, Trade and Commerce has made representations also. I will be glad to bring this latest advice to the attention of C.P.R. management and to encourage them to provide the best service possible. We are all concerned about the shortage of box cars for many purposes, and there will be discussions between all interested parties in order to see what can be done to alleviate the situation, not on a temporary basis only, but on a long term basis as well.

Mr. Diefenbaker: Bring back the box cars from the United States, to begin with.

Mr. Rod Thomson (Battleford-Kindersley): A supplementary question to the Minister of Transport, Mr. Speaker. Will the minister authorize his department to bring back some of our box cars from the United States? Generally they have more of our cars than we have of theirs.

Mr. Hellyer: Mr. Speaker, this seems to be part of the problem and it will be considered in the context of the total shortage.

NATIONAL SECURITY

MRS. SICOTTE—ATTENDANCE OF R.C.M.P. AT CALIFORNIA TRIAL

Mr. John Gilbert (Broadview): Mr. Speaker, may I direct a question to the Solicitor General. Since the R.C.M.P. attended recently at the trial in California of Mrs. Sicotte, and

since security considerations may have been involved, will the minister make a statement about the matter of security?

Hon. G. J. McIlraith (Solicitor General): No, Mr. Speaker; we have not contemplated making any such statement. If there is any desire for it we could look at the matter and consider it.

OIL

POSSIBILITY OF STUDY BY SENATE COMMITTEE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I ask the Acting Prime Minister whether, as has been reported publicly, the government is giving consideration to the appointment, following the Prime Minister's return from Washington, of a Senate committee to conduct a high level study of the problems and possible policies of the Canadian oil industry?

Hon. Paul Hellyer (Minister of Transport): I have not heard that particular suggestion, Mr. Speaker, but I know that, once the Prime Minister returns, there will be discussions on this important subject because it is of increasing concern to Canadian exporters.

TRANSPORT

P.E.I.—EFFECT OF INCREASED FERRY RATES

Mr. David MacDonald (Egmont): Mr. Speaker, may I direct a question to the Minister of Transport. What steps are being taken by his department or the transport commission to ascertain the possible effects on the people of Prince Edward Island of the possible 50 per cent increase in ferry rates for that province.

Mr. Speaker: Order, please. I suggest to the hon. member that the question as asked is of very wide scope and should be answered by way of a statement.

Mr. MacDonald (Egmont): A supplementary question, Mr. Speaker. In view of the importance of this matter to one of our ten provinces, is the minister prepared shortly to make a statement on the subject in the house?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I know of no such proposed increase for the people living on the island.

[*Later:*]

Mr. David MacDonald (Egmont): I refer, Mr. Speaker, to an earlier question I asked the Minister of Transport. In view of the recent misunderstanding that developed with the government of Prince Edward Island, which indicated that such a rate increase was being contemplated, could the minister take the appropriate steps to clear up this confusion with the government of Prince Edward Island?

Hon. Paul Hellyer (Minister of Transport): I will be glad to take that suggestion into consideration.

HARBOURS

IMPLEMENTATION OF ADMINISTRATION PLANS

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, my question is for the Minister of Transport. Since there has been criticism of the National Harbours Board in the ports of Montreal and Saint John, has the minister early plans to implement the study on harbour administration which he laboriously read to us before Christmas?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I hope the parliamentary committee will soon be in a position to consider this very important subject. I hope that can be done before the end of the present session, so that any policy considerations which might follow from the committee's recommendations could be in hand during the course of this year.

INDIAN AFFAIRS

SECHELT, B.C.,—ALLEGED HARRASSMENT BY R.C.M.P.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is directed to the Solicitor General. A short time ago C.B.C. television carried an interview with three young Indian people at Sechelt, British Columbia, all of whom claimed they had been beaten by R.C.M. Police during interrogation, even though no charges were laid against them. The senior officer of the R.C.M.P. in British Columbia promised that there would be a full investigation. Has that investigation been completed? Has the minister received a report and can he give the house any information about it?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I ought to explain that these criticisms were made by an hon. member in the provincial legislature in British Columbia. The Attorney General of that province ordered an investigation, because this has to do with the functions of the Royal Canadian

Mounted Police as the police force policing the province, under the direction of the Attorney General. That investigation is not yet completed, so perhaps I should not make further reference to it. I have been following the matter quite closely.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. Since the Canadian government is responsible for the Indian people who are affected in that particular area, is it asking for any report from the R.C.M. Police? Will the minister be able to tell us what actually took place, when he receives this report?

Mr. McIlraith: Yes, Mr. Speaker. The minister could tell what he thinks has taken place in this whole matter. He thinks it would be improper, while the present investigation is being carried on by the Attorney General of the province, for him to superimpose another investigation on matters that may be cleared up by the first one. Therefore there will be no further action taken until the provincial Attorney General's investigation is completed.

At the time it will be analysed and a decision taken as to what further action, if any, should be taken.

[*Translation*]

HOUSING

MEASURES TO ACCELERATE BUILDING

Mr. Henry Latulippe (Compton): Mr. Speaker, I would like to put a question to the Minister of Transport.

In order to give the priority to his development plan in the field of housing construction, could the minister tell the house if he anticipates the abolition of the 11 per cent tax on building materials and also an appropriate reduction of interest rates to give the necessary impetus to housing construction?

Mr. Speaker: I submit to the hon. member that his question is of too general a nature and that it could easily be put on the order paper.

[*English*]

IMPLEMENTATION OF TASK FORCE RECOMMENDATIONS

Mr. John Gilbert (Broadview): My question is directed to the Acting Prime Minister. Would he inform the house whether prior to the Easter recess he will be bringing forward legislation concerning the recommendations of the task force?

Hon. Paul Hellyer (Minister of Transport): It will not be prior to the Easter recess, Mr. Speaker. I hope it will not be too long a period after the Easter recess.

[*Translation*]

HOUSING

SHOWING OF FILM IN FRENCH LANGUAGE

Mr. André Fortin (Lotbinière): Mr. Speaker, a few weeks ago I asked the Minister of Transport after he had organized in this building a showing of slides with running comments in English only about the housing problem, if he intended to do the same thing in French. His reply at the time was that this was possible and that he would make the necessary arrangements. We have had no news since then, Mr. Speaker, and the French-speaking members would appreciate having this showing with running comments in their mother tongue.

Mr. Speaker: Order, I suggest to the hon. member that he could perhaps obtain the information in a different way. I doubt that the question as asked is of national urgency, but if the minister wishes to answer, I have no objection.

[*English*]

Hon. Paul Hellyer (Minister of Transport): This question is still under consideration. The presentation has been so well received in the places that it has been shown that serious consideration is being given to the possibility of preparing a French version.

HOUSE OF COMMONS

ATTENDANCE OF MINISTERS DURING QUESTION PERIOD

Mr. John Lundrigan (Gander-Twillingate): I wish to ask the President of the Privy Council a question relating to the roster system. Will he give consideration to reviewing the system due to the fact that for today there are only 16 of 28 ministers on the roster, and only 7 are present? It is making it very very difficult for members to pursue business of an urgent nature.

Hon. Donald S. Macdonald (President of the Privy Council): For the benefit of the hon. member and other hon. members, I would point out that in addition to the Prime Minister (Mr. Trudeau), the Secretary of State for External Affairs (Mr. Sharp) and the

Minister of National Defence (Mr. Cadieux) are in Washington. I regret to say that my colleague, the Minister of Manpower and Immigration (Mr. MacEachen), is ill, as is the Minister of National Health and Welfare (Mr. Munro). As the hon. member probably knows, the Secretary of State (Mr. Pelletier) is representing Canada in Paris and the Minister of Agriculture (Mr. Olson) is participating in the first day of the agricultural conference.

Mr. Lundrigan: I hope my question has not been misinterpreted. I did not ask for an explanation of absenteeism. Rather, I asked for a revision in the roster system to clean up this mess.

Mr. Speaker: Order, please.

VETERANS AFFAIRS

IMPLEMENTATION OF WOODS REPORT

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Veterans Affairs. I keep receiving letters from anxious veterans inquiring when the Woods Commission report will be implemented. Is the minister in a position to inform us as to when this legislation will be brought in?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): As I said before, Mr. Speaker, the government at the present time is preparing a white paper on this matter. Both the white paper and the Woods Committee report will be referred to the proper House committee later in this session.

AIRPORTS

REVIEW OF RESTAURANT FACILITIES

Mr. John Lundrigan (Gander-Twillingate): I have a question for the Minister of Transport, Mr. Speaker. Will the minister give consideration to reviewing restaurant facilities in a number of airports in Canada, due to the fact that curtailment of certain services has resulted in unfavourable publicity through international airline offices?

Mr. Speaker: Order, please. The question should be placed on the order paper.

WINNIPEG—DESIGNATION AS INTERNATIONAL GATEWAY

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I address a question to the Minister of Transport. A few moments ago he indicated that within a couple of weeks there might be a statement regarding the new airport at Toronto. I wonder if he would indicate when there might be a statement designating Winnipeg as an international gateway for airline flight fares?

Hon. Paul Hellyer (Minister of Transport): It was the Montreal international airport to which I referred a few minutes ago. I hope I will be able to say something further about Winnipeg, perhaps as soon as I can about the future airport for Toronto.

GOVERNMENT ORDERS

STATUTE LAW (SUPERANNUATION) AMENDMENT ACT

MEASURE TO AMEND CANADIAN FORCES, DEFENCE SERVICES, R.C.M.P. AND PUBLIC SERVICE SUPERANNUATION PROVISIONS—REPORT STAGE

The house proceeded to the consideration of Bill C-178, to amend the Canadian Forces Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Superannuation Act, the Royal Canadian Mounted Police Pension Continuation Act and the Public Service Superannuation Act, as reported (with amendments) from the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Stanley Knowles (Winnipeg North Centre) moved:

That Bill C-178, to amend the Canadian Forces Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Superannuation Act, the Royal Canadian Mounted Police Pension Continuation Act and the Public Service Superannuation Act, be amended by deleting therefrom clauses 19, 34 and 48.

He said: Mr. Speaker, we are now at the report stage of Bill C-178 which seeks to amend a number of statutes under which pensions are provided for various categories of employees of the federal government.

As I indicated when we were at second reading of this bill, the bill for the most part is good legislation. Most of the changes are improvements that will be for the benefit of persons covered by the various statutes. I also made it clear that there was a serious deficiency in the bill because it includes no provision for increasing the pensions of civil servants already retired and it also makes no provision for escalating after retirement the pensions of persons covered under the act.

At this stage, Mr. Speaker, it is in order to speak only on the subject of any amendment that has been made. I have moved this amendment which Your Honour has just read asking for the deletion from Bill C-178 of three clauses, namely, 19, 34 and 48. My reason for including these three clauses in one amendment is because they are all exactly the same. Clause 19 makes a certain amendment to the Canadian Forces Superannuation Act, clause 34 makes precisely the same amendment to the Royal Canadian Mounted Police Superannuation Act and clause 48 makes the same amendment to the Public Service Superannuation Act.

As will be clear from the terms of my amendment, I think all these clauses should be removed from this bill. In other words the changes proposed by these clauses should not be made in the three statutes to which I have referred.

• (2:50 p.m.)

I think I should try to make clear, if I understand it myself, what the proposed amendments would do to each of the three statutes to which we are referring. Each of them, in respect of clauses 19, 34 and 48, makes certain technical changes in the administering of these three superannuation accounts. Probably in the course of my remarks this afternoon I will slip once in a while and say superannuation funds, but that is a misnomer. There are no funds; these are actually accounts we are talking about. The three proposed amendments would provide that the government may increase the rate of interest that it credits to these accounts on the balances that are in them.

Members are aware of the fact that people who would like to see increased pensions have been complaining about the fact that the rate of interest is only 1 per cent per quarter or slightly over 4 per cent per annum. People who have looked at this matter have suggested that the rate of interest could easily be increased to 5 per cent or even 6 per cent in the light of what money costs today and that the additional money could be used for the purpose of paying higher pensions to those who are now retired.

When that argument is put forward, why do I stand up and object to these three clauses if they would make it possible for the government to pay a higher rate of interest? The reason for my objection is that in each of these three clauses there is another provision which says in effect that none of this extra money that accrues from a higher interest rate can be used to pay higher pensions. It is made as clear as it can possibly be that the benefit of any increased interest rate shall not accrue to those who are now retired. This is done by saying that any money that is added to the fund by paying a rate of interest higher than roughly 4 per cent per year is to be deducted from the special contribution the government makes to the funds from time to time to keep them in actuarial balance.

I think I should digress for a moment to say that we were advised the other day in the Committee on Finance, Trade and Economic Affairs that—and it was not news to some of us—if it were not for the general increases in public service pay that take place these special contributions would not be necessary. The amounts that employees pay in, 6½ per cent for males and 5 per cent for females, plus matching contributions by the government, together with interest on the balance in the fund at 1 per cent per quarter which is roughly 4 per cent per year, provide enough money to keep the fund actuarially sound for those who are covered by it. It is because of periodic general pay increases that the fund loses its actuarial balance and it becomes necessary for the government to put in these special contributions from time to time. This is required by the various statutes which cover these pension accounts.

But the amendments that are now proposed in clauses 19, 34 and 48 say that from there on the government can pay a higher rate of interest but having done that it shall pay a lesser amount by way of government contribution, thus making it crystal clear that none of this extra money that flows from a higher rate of interest is to be used to pay increased pensions. On the face of it I think this is grossly unfair. It is almost in the nature of a trick.

There has been a considerable campaign among retired civil servants and organizations speaking on their behalf for a number of years to get the government to increase the rate of interest on the amounts in these accounts. Computations have been made concerning what a percentage point increase in the interest paid would produce by way of extra money to pay higher pensions. Now the government comes along and says it will do this, it will increase the rate of interest, but it puts a catch in the clause to make sure that none of the extra money is used for the purpose of paying increased pensions. As I say, we think this is almost in the nature of a trick and we believe we ought not to consent

to it as responsible members of the House of Commons.

I should like to point out that whether we pass these three clauses or not will not make one iota—perhaps I should say one dollar, one nickel or one cent—of difference so far as the movement of cash is concerned. These three clauses relate only to accounting practices and what is done with the books. If the clauses remain as they are, or if they are changed, it will not make a particle of difference to the cash flow one way or another. The actuarial report will continue to say at periodic times what the amount in the various funds should be and the government will see to it that that amount of money is there. If these clauses are not passed the government will do it by putting in "x" number of dollars to bring the fund up to that level. If these amendments are passed the government will put in a certain number of extra dollars by way of interest but the special contributions will be minus the number of dollars represented by any increase in interest. So it will not make a particle of difference to the figures on the books. The dollar situation will be the same at the end of the year, or whenever the accounting is done, whether these amendments are passed or not.

Not only is there no difference whatsoever in the money in so far as the total figures on the books are concerned but there would also be no difference at all in the cash flow. At the present time interest is paid of roughly 4 per cent per year but no dollars are put into any bank account anywhere. These are just figures added to the books. In addition, these special funds to cover pay increases are added to the accounts but no dollars are put into any account anywhere. They are just figures added to the books. Therefore, whether it is left the way it is or done as provided in this statute there will be no change whatsoever and no dollars will flow either in or out. It will make no difference whatsoever. The only people who will be happy about this will be those who have to look after the books because there will be a certain neatness and tidiness about the books, but there will not be any difference in the flow of cash or dollars.

As a matter of fact, that is the way the public service superannuation fund itself works. I am talking about all three funds that are being dealt with by this legislation but to keep the matter simple I will discuss the public service superannuation fund. It is not a fund; it is an amount and is properly entitled the public service superannuation account. Supposedly 6½ per cent of the salaries of male public service employees and 5 per cent of the salaries of female public service employees are kept back and put into this account, but this does not represent any flow of dollars. No dollars are put anywhere. Conversely, when a pensioner gets his pension it is subtracted from the figures that are on the books, but the dollars do not come out of a fund or account or any special account at all; these things are all current operations. What happens is that public servants—let us stick to the males for the time being—get 93½ per cent of their pay while they are working and when they are retired they get 30 per cent, 40 per cent, 60 per cent or 70 per cent depending upon how many years they have worked as public servants, but no actual dollars go in or out of a fund. So to talk about moving these funds around and making these kinds of changes is a case of getting away from reality. That is why I do not like these clauses because they give the impression that somehow there is something real about these funds when there is no reality to them.

● (3:00 p.m.)

The reality is the government of Canada with its eternal credit. The reality is an ongoing economic system which pays wages and salaries to those who are working, and pensions to those who are retired. When you try to say to the people who work for the government that there is something important and sacred about this fund and then at the same time say to them that they cannot get extra money out of it, even though there is more money there and more interest paid on it, this is an attempt to fool the people. We should not countenance this manipulating of figures which gets us completely away from the reality of the whole pension situation.

Let me recapitulate what I have been trying to say. There is no such thing as a fund. In fact the statute does not say there is a fund; the statute says there is an account, in other words, figures in a book. There is no account in a chartered bank, in a trust company, in the Bank of Canada, or anywhere. There are figures in a book. When people work for the federal government for so many years they get 93½ per cent of their scheduled pay, but the balance does not go anywhere else. It is just figures on a book. When they retire they get 2 per cent per year for the number of years they have worked, multiplied by the average of their six best years so far as salary is concerned. That can be as high as 70 per cent of their salary.

Do you think those dollars come out of a trust account, a bank account, or the Bank of Canada? No. They came off the figures on the book, but the dollars themselves come out of current revenues, the current funds of the government of Canada which come out of current production.

I contend that to the extent that we try to play up, dress up and fool around with these funds we are simply fooling the people of Canada. I quite agree that when I ask for higher pensions for those who are now retired, and when I ask for a provision for those now working that their pensions shall be escalated after their retirement, I am not relying on a fund. I am not arguing that this should be done because there are so many dollars in the fund because I know there is nothing there. But what I am doing is calling for a deliberate decision. I am calling for our society to say that just as people who are working deserve decent rates of wages and salaries, so people who are retired are entitled to a pension that will enable them to live in the circumstances that obtain during their years of retirement.

When I ask that the pensions of those now retired be increased it is because I think we owe it to them as a matter of good faith, we owe it in recognition of what they have done in the past, we owe it because some of us believe that retired people have just as much right to keep up with rising standards as those who are working, and we believe that pensions should escalate in the same manner as wages and salaries escalate. But, Mr. Speaker, let us get to the reality of the situation, and let us not try to fool ourselves by a fund of this kind.

We do the same kind of thing with regard to old age security. We say to our people that they get their old age security payments out of a fund, and that so much money is put into a fund. Again it is an account, and there are taxes for it, 4 per cent, 3 per cent and 3 per cent. But if I were to get up in the House of Commons, as I have been tempted to do in the last few days, and point out that there is a credit balance in the old age security fund of $642 million, and since that money has been collected for old age security purposes it ought to be paid out in old age pensions, I would be told that the money is not in a special fund; it is just a bookkeeping proposition.

The reason that the people of Canada get old age security payments is that the government of Canada, the people of Canada and the economy of the nation are all behind the guarantee to pay these pensions. That is what pensions payments are. They are guarantees that out of current production these payments will be made. I contend that what is going on here, this attempt to fiddle around with the accounting procedures, is a case of getting away from the realities of the pension situation. Indeed, it is a case of trying to fool our retired civil servants, just as we try to fool the people on old age security generally by telling them there is a fund when no fund exists at all.

I know that there are people on the other side of the house, even people in the cabinet, who share this view that the business of funding government pensions is unreal. The Secretary of State for External Affairs (Mr. Sharp), when he was minister of finance, admitted to me at one time when we were discussing the old age security question that the fund itself was only so many figures in a book, that it might as well be done away with, and that we might as well recognize the fact that we are agreeing, as a society, what pensions we will pay to our retired people out of current production. That is what the Public Service Superannuation act is all about. It is an act under which in good faith the government of Canada says to its employees, "If you work for us for 10, 20, 30 or 35 years, and if you will take less than the full amount of your pay we will undertake in the name of Canada, in the name of our people, in the name of the resources we have, that after your retirement you will have a decent standard of living."

In the past we thought we were giving effect to that promise by providing a certain formula related to salaries and wages during a certain period of time. It was a ten year period, then five years, and now it is six years. But times have changed. We are in the age of explosions. Things are moving a lot faster than they used to, and people are living a lot longer. The rates of pensions applicable at age 60 or 65 are not good enough at 75, 80 or 85. Nowadays a good many people are living in retirement for periods of 15 years, 20 years or 25 years. In such a long period of time our economy changes. It changes so much that it is not good enough to have a formula that ties pensions to a rate fixed at the time of retirement. If we go along with this type of legislation, the kind of provision in these three clauses I am speaking against, tied to a particular fund or particular account, and say, "You cannot get more no matter how high a rate of interest we pay on the fund," we are just not keeping faith with

the people to whom we have said, "Work for us and we will see to it that you will have a decent retirement."

That is why I think that these three clauses, 19, 34 and 48, should not be passed. Instead of fooling the people this way with these funds and this kind of accounting, we should put this thing on a realistic basis. We should say to our people, "There is no fund. No dollars have been set aside."

Today, just to refresh myself and to make sure of what I am saying, I picked up a copy of the public accounts for last year. I found that last year the amount of money that public service employees had deducted from their pay was greater than the amount that was paid out in the same year in pensions. There are some things to add on both sides. The payments out also included transfers to other funds and things of that sort. Payments in included government contributions, matching contributions, transfers from other pensions, funds and so on. But the fact is that in the total the government does not pay in any year 100 per cent of its wage bill, even when you add the pensions to the salaries being paid. This is the reality.

I want to convert this reality into a just system, even if I have to call for a just society. I want to convert this into a society where we say to the people who work for the federal government, "If you work for us in your working years we will see to it that in retirement you will have a pension that will enable you to live in those years of retirement in a manner commensurate with the standard of living in that period of time."

• (3:10 p.m.)

I want this, and I am sure the house knows it now, not just for our retired civil servants and those who come under the Canadian Forces Superannuation Act, the Royal Canadian Mounted Police Superannuation Act, and so on, but for those who work for Canadian National Railways, Canadian Pacific Railway and all our people. I want it for the old age security pensioner as well, that is, the provision for pensions in the period of retirement to escalate not just according to the cost of living but according to rising wages and salaries, in other words, according to the increase in productivity and the increase in the affluence of our society.

But we will not get it with this kind of dead-hand bookkeeping. We will not get it with this kind of fooling around with the books that seems to add interest in which people think they have some rights because it is interest on their money. Then the government turns around and says that despite the additional interest these people should not look for any more money because it is going to pay less by way of special payments year by year. In the end the total will be precisely the same, and there is nothing in it for our retired people.

This is not the kind of legislation that we should be passing. I say again, as I said at the start and on second reading, that most of Bill C-178 is good. It provides improvements that will be for the benefit of employees of the federal government—those now working, at any rate. It does not provide anything for those already retired. It does not provide anything for those now working, because at the time of retirement they will be in the same box as those already retired.

To me this is an extremely important issue in our society and our economy, namely, what we do for our older people. We have not finished the job because we have an old age security pension, a guaranteed income supplement, a Public Service Superannuation Act and a whole host of pension schemes both public and private. We will not, in my view, finish the job until we have these pension schemes on a basis where after retirement people are able to keep up with the standard of living that improves during that period of time. Pensions have to escalate, not just according to the cost of living but according to increased productivity. This will not happen so long as you have the dead-hand kind of bookkeeping proposed in these three clauses. That is why I think the house should reject these three clauses and let the rest of the bill pass without them.

The only other comment I wish to make is that I hope this is the last time the government will bring before us a bill to amend the Public Service Superannuation Act and the acts related thereto without having in it something to provide for increased pensions for those already retired, and something to provide that those who are now working will when they retire be awarded pensions that will escalate during their period of retirement in keeping with increased wages and salaries, in keeping with the increased productivity and affluence of our society.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I thank the house and apologize to the minister and hon. members for not being here when the debate started, but an urgent personal matter had taken me out of

the house just after two o'clock. The hon. member for Winnipeg North Centre (Mr. Knowles) has used the term "dead-hand bookkeeping". He says this is at the source of the problem with the superannuation fund for public civil servants and the scale of their pensions. I do not think it is dead-hand bookkeeping that is causing the problem; I think it is a dead-hand principle behind the handling of the pension fund. It is not in the matter of bookkeeping; that is mere mechanics.

Over the years we have seen more and more of Canada's population come into the public service of this country. We have seen more and more people enter the armed services and the Royal Canadian Mounted Police. If those people were out in what one could call non-public service, working for a corporation or individuals, they would have funded pension plans. The moneys available from the pension fund would be invested in economic productivity, in productive investment—in equities, preferred shares, any type of corporate financing plus, of course, government bonds in order to get the appropriate mix. There would also be money available for housing. Instead of that, all the money goes into the consolidated revenue fund and merely remains there for general government purposes. There is an appropriation, I suppose, to the superannuation fund but the money is not invested as such; it merely remains as a charge on the consolidated revenue fund.

That is why the hon. member is able to say there is this sort of dead-hand bookkeeping, because all it is is bookkeeping. I put it to the government that it would be far better if it introduced into the Public Service Superannuation Act orthodox funding principles whereby the money taken from people working in Canada, plus the contribution of the employer, would be invested in an appropriate plan of securities, provincial and federal, corporate equities and other debt instruments. I suggest to the government this would eliminate the need for the theory put forward by the hon. member for Winnipeg North Centre that pension funds should be tied into some sort of formula that goes along with productivity. The hon. member's party would like it tied to the cost of living index. This is self-defeating. Tying pensions to the cost of living index on this basis is merely self-defeating; it generates more inflation and the net result is that every year we get up over the 2 per cent and add more to pensions. I suggest that is merely generating more inflationary pressure.

[Mr. Lambert (Edmonton West).]

On the other hand, I would put forward the suggestion, and I think it is sound economics, that government pension plans, not only that of the federal but those of the provincial governments, should be invested in the productivity of Canada. Thereby these pension funds would reflect the increase in the value of equities, debt instruments and increasing profits due to increases in productivity. This is precisely what the hon. member for Winnipeg North Centre has been asking for. Then pensions could be adjusted if need be. In other words, our pensioners would have part of the action.

This is what we now get from mortgage companies who want "a piece of the action" because they want to share in the increase in productivity, in the increase in value. Why should our pensioners not have the same advantage? They have made their pension fund contributions, which is a forced method of saving, the employer has matched them, and the money should then be put to work. Why should not the employee, the pensioner, get the benefit of the profits that have been earned through the pension fund? I am sure that in this way we would have a much greater source of funds and the government would have a much better pension scheme. The government should set an example in this regard. We would do away with calls for Canada development corporations and all sorts of dubious proposals because we would have a very large pension fund administered properly by trustees on behalf of employees who have a real interest in the fund. At the present time they have no say with regard to the fund. Whether or not they shall be paid an increase is entirely up to the government.

• (3:20 p.m.)

I agree with my friend, the hon. member for Winnipeg North Centre (Mr. Knowles), in the same way as I agreed with my former colleague from Carleton, the Hon. Richard Bell, who times without number advanced the proposal that something must be done to reduce the disparity between the level of pensions of former public servants and that of those who are now entering their pension life. The gap in pension levels is far too wide, as there are great disparities in salary levels. One has only to go through the whole scale of salaries in the public service as against those in industry to see that there are horrible gaps and disparities. But the most glaring one is the result of a comparison between a public servant who retired 10 or 12 years ago and one who retires now.

If I recall correctly, the last time any change was made was in 1958 or 1959 when the then minister of finance upgraded minimum pensions of those who had retired prior to 1953. The formula was complicated but the measure was only a palliative and did not go far enough. In 1958 and 1959, however, there were other problems of financing, and this was something that came out of the consolidated revenue fund. Hon. members must remember that a pension that is once effected must remain that way; it can never be downgraded.

Mr. Knowles (Winnipeg North Centre): But those pensioners are dying off.

Mr. Lambert (Edmonton West): Yes, but the present administration has taken on almost 75,000 new employees since 1963. I admit there was an increase in the years prior to that, but not to the same extent. The public service has grown fantastically large. It is my belief that the functions of the government have expanded too much; it always seems that we have to build on another layer as we go along. It seems to me that far more could be gained for the country by concentrating more persons in productive occupations rather than removing thousands upon thousands more persons from the working force and concentrating them in the public service. This applies not only to the federal government but to the provincial and municipal levels. The funds are being removed, with minor exceptions, because I believe many of the municipal pension funds will be invested in corporate securities and so forth. But certainly I would like to see the superannuation fund invested in the way I outlined earlier.

I cannot agree with the hon. member for Winnipeg North Centre that these clauses should be deleted, and it is with great reluctance that I have come to this conclusion, because I believe that it is only by increasing the pension fund through this additional interest—

Mr. Knowles (Winnipeg North Centre): It does not increase it.

Mr. Lambert (Edmonton West): It provides a camouflage for an increase.

Mr. Knowles (Winnipeg North Centre): The total will be the same after the operation is over—more of "x" and less of "y".

Mr. Lambert (Edmonton West): That may be. I suggest there is more of an appearance of an increase, and therefore this may give us the possibility of arguing that the government will have to take some action with regard to retired public servants. I do not know how we are going to dynamite or galvanize them into action. Certainly this government cannot be galvanized, but it may be dynamited or blasted into action on this problem. It is a national scandal, for instance, in the case of the pensions of former N.C.O.'s in the Royal Canadian Mounted Police. In this day and age, if one can use a current term, they do not even get beer money, not that they want money for beer. Gracious me, in the last few years I have spoken to corporals who gave good service, men whom I knew when I was much younger, who today draw a mere $68 a month in superannuation pension. It is almost cruel to give them such a pension. It would be kinder if we told them we would not give them anything because in my opinion $68 a month under present circumstances is contemptuous of them as well.

I will limit myself to those few brief remarks at this point. At third reading I will want to say something about the Canadian Forces Superannuation Act, but since there is no amendment with regard to that act I will limit myself to the remarks I have made at this stage.

Mr. Drury: There is an amendment.

Mr. Lambert (Edmonton West): But no amendment at this stage, which is the report stage. I will have something to say about it on third reading.

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, in introducing this amendment the mover said that he thought he was bringing the argument one step further toward reality. I regret I cannot subscribe to this point of view after listening to the debate. As nearly as I can understand it, the mover of the amendment believes that this fund is a publicly supported one and he does not distinguish it from the old age security fund or the type of fund which we set up for the Canada Pension Plan.

The second speaker took a totally different point of view. He suggested a totally funded approach in line with conventional methods and with all the requirements of the actuaries. He even went as far as to say that a similar approach should be taken with municipal and provincial funds and that out of the earnings of a fully developed type of plan additional pensions could be paid.

I think it is most unfortunate that this debate has taken place because I believe it is

totally beside the point. As far as I can determine the purpose of the amendment is to strike out the provisions by which the government is attempting to bring the interest rates that are to be paid, in line with current interest rates. At the same time the government is calling attention to the fact that, as the result of the revisions of pay that have taken place, around $200 million a year in respect of arrears to compensate for these pay adjustments is being paid in the current fiscal year. If one were to increase the fund's interest yield by something like 3 per cent, no more than $100 million would be gained by way of additional interest. In my opinion the government is trying to do certain things to introduce a measure of reality into what has become a most unfortunate discussion.

I have supported the principle of increasing the pensions of superannuated civil servants as consistently and as forcibly as any member in the period that I have been in this house. But I do take violent exception to a debate which leads to a grave misconception on the part of pensioners. A debate took place in the house on second reading on March 14. Subsequent to that debate I have received a substantial volume of mail because I took part in it and I said I was in favour of increasing pensions, as did a number of other hon. members. The kind of letters we are getting will increase in frequency as a result of this debate. Many old age pensioners, after listening to what I consider to be arguments that are completely beside the point, have come to the conclusion that the government has stolen the fund and that there is something grossly irregular about it. They suspect irregular management and they think the Auditor General should be called in. They are giving a totally erroneous interpretation to what has taken place.

• (3:30 p.m.)

I said before and I repeat that the case for the adjustment of pensions is a moral case. I believe the government of Canada should set an example in respect of those who have worked for it and are now in retirement, and do the things we would like other good employers to do. But I have to adopt some consistency about this approach. A private employer who sets up a pension plan in this country is required by law in most of the provinces, certainly in the larger ones—in some provinces the jurisdiction is not as tight as it should be, nor is the supervision as effective as it should be—to make certain provisions to guarantee the solvency of the fund. He must protect as far as possible those who have claims on it.

In my opinion the government, in its capacity as employer, should set a model, and I expect that role to apply not only in connection with pensions but in connection with general levels of remuneration, the standards applied to collective bargaining and a broad range of legislative policy. What we do in respect of those who work for us should be a model upon the basis of which we are able to say to other employers in Canada: Please follow this example.

Some hon. Members: Hear, hear.

Mr. Francis: I deplore this debate. I deplore the very fact it has had to take place, because I know I shall get another wave of letters. I shall put one or two of them on record in *Hansard* if I may—those portions which are printable; some parts of them may not be written in parliamentary language and, if so, I might be called to account. I quote from a letter dated March 18 which I received signed by E. P. Gray:

Lloyd Francis:

On an Open Line show over CKOY a lady civil servant superannuate read for the benefit of listeners correspondence between the lady and you concerning the cold-blooded manner in which the Liberal government is handling the requests for an increase in their pensions from their own money.

And, Mr. Speaker, "their own" is underlined.

I knew you were a revolting, thieving, shifty-bastard, Francis, and am pleased that now a great many more are aware of your sickening character.

After that, Mr. Speaker, it really gets abusive.

That is not the only letter to which I shall refer, Mr. Speaker. Another one, dated March 16, said: "This money belongs to us superannuates; what has the government done with it?" The kind of thing which is being said is somehow being spread from sources which should know better. Someone is deliberately giving misinformation to a broad range of retired superannuates concerning the management of the fund.

I fail to see what anyone could gain by prolonging a debate of this nature. I fail to see what the mover of the motion hopes to gain by striking out this provision to bring interest rates up to current standards of interest rates. We are saying to the employers of this country: this is what we want you to do as employers, but it is totally different for us because we have a public fund and we can

do things as we wish; it does not matter whether or not we pay the current interest rate, though you, as private employers, must do all these things. For this reason I cannot support the amendment. I do not see what useful purpose is being served.

I personally believe that the government has a moral obligation, one to which I hope it will respond at the earliest possible date, to raise the pensions of its retired employees. This argument is lost if one tries to become an amateur actuary, if one tries to say: this year the fund paid out so much and took in so much. No person can pass judgment on the state of such a fund by looking at income and expenditure in a one-year period or a two-year period or a three-year period. The fund can only be appraised by those who know the extent of the claims made upon it, or likely to be made upon it, and of the resources available to meet them. We should not try to set ourselves up as experts of that kind, because we are not. We are not actuaries. We are not competent to pass judgment on the extent of the solvency of the fund. In my opinion it serves no useful purpose for us to say: this is what a private employer must do, but the government can violate all the rules and everything is O.K. This, I cannot accept, and for this reason I shall vote against the amendment.

Mr. Knowles (Winnipeg North Centre): Will the hon. member permit a question?

Mr. Francis: Gladly.

Mr. Knowles (Winnipeg North Centre): In view of the hon. member's desire that we keep things as straight as we can, may I ask him this question? Does he think it is fair to describe clauses 19, 34 and 48, as I believe he does, as providing for an increased rate of interest to be paid to the fund without at the same time pointing out that the same clauses provide for a reduction in the other amounts added to the fund, so that in the end there is no difference, no extra money at all?

Mr. Francis: I pointed out that in the present year $200 million had been contributed by the government of Canada in respect of arrears because of salary increases. I also pointed out that an increase of 3 per cent on current interest payments to the fund, which is approximately of the order of magnitude required to take account of current rates, would yield only half that sum—about $100 million. I further pointed out—and I certainly have no desire to conceal it—that all the government was trying to do was to tidy up its operation a little. But this is simply making it clear for all to see that even if interest is brought up to full current rates the government of Canada would still have to contribute a substantial amount to keep the fund within the kind of rules we expect every good employer to follow.

Mr. Knowles (Winnipeg North Centre): Is it not a case of more "x" and less "y" but the same total in the end?

Mr. Francis: If the hon. member feels he is serving any useful purpose by pursuing this kind of argument, leading to a long debate on funding, that is on his conscience. I know that some people are misinterpreting this kind of approach.

Mr. J.-T. Richard (Ottawa East): I spoke on the second reading stage of this bill, Mr. Speaker. Now we are on the report stage and I wish to add a few words.

I do not think the situation in which we find ourselves is very fortunate. Today, while we are talking about superannuation, we are still working on old principles. The contents of this bill are good, as was mentioned a few minutes ago, for civil servants who are still working, but they mean nothing to those who have retired and little to those who will retire in the future because they will ultimately be in the same position as public servants who retired some years ago.

I must differ from my hon. friend, the hon. member for Ottawa West (Mr. Francis), in at least one respect. He says the obligation we have to retired public servants is a moral one. In my opinion it is not a moral one; it is a matter of justice and equity. It is up to the government to decide that what was done in the past was not necessarily best.

I can speak clearly and openly on this issue. I was chairman of the committee which recommended amendments to the superannuation legislation and considered the plight of retired public servants. We thoroughly considered the questions of funding, the payment of higher interest credits to the fund, and so on. I am not an accountant nor an economist and perhaps this is why I am more interested in the welfare and well-being of the people who are actually involved in this question today.

I am still bothered by the thought that far too many former civil servants have no way of getting an income that is in any way reasonable except through an increase in their pensions. In my opinion the means employed to bring this about are secondary. I am not

interested in whether this fund is being operated in a manner similar to that in which other funds are legally operating at the present time. I am interested, rather, in what the government intends to do to make it possible for those who have retired on pensions now shown to be inadequate to receive suitable increases. We have been talking about a guaranteed income in the future to provide people with enough to live on properly. Surely if we start by doing something for our retired public servants we will at least have closed the gap to some extent and we will not have to look after these people under some other scheme.

• (3:40 p.m.)

Surely this fund should be credited with a rate of interest that is more up to date. The old rate of 4 per cent is certainly an antique. It reminds that other money is being lent at a low rate of interest to the provinces through the Canada Pension Plan. Perhaps this money should also have been invested in some other way. There is no reason why money which will later be credited to pensions for the people of Canada should receive a lower rate of interest than the current rate simply because it is used to finance the municipalities and provinces of this country. However, that is another matter.

I just wanted to say that I have nothing particularly against the provisions of this bill because I do not think anyone will be harmed. I should have liked to see some provision made for higher interest rates for funds that are used for a definite purpose at the present time. In the same way that many funds of corporations are now making provision for raising the pensions of their retired employees, in a very few years we shall have to change the method we use to provide for pensions of public servants. I am sure this will be done fairly soon when some of the people who have been blocking progress in this regard have retired.

Mr. Ray Perrault (Burnaby-Seymour): Mr. Speaker, I have a few brief comments on this bill. There is no doubt whatever that many retired members of the Royal Canadian Mounted Police, retired civil servants and former members of our armed forces are among the main victims of inflation. Many of these people live in my constituency and elsewhere in British Columbia. We are supposed to enjoy a fairly good measure of affluence in the province of British Columbia, yet 25 per cent of the people of that prosperous province live on less than $3,000 a year. These include families. Among the people living under difficult circumstances are many in the category to which this amendment is addressed.

[Mr. Richard.]

Together with other members of the house I support increases for the superannuates in the categories referred to. However, apart from the consideration of amendments of this kind, I think provision should be made for an escalation device as a hedge against the future erosion of superannuates' purchasing power. Surely we should be working toward achieving price stability in this country for all people, superannuates and others.

At the same time, we should have special regard for former employees of the public service. We should be the first in this country to make sure that they are indemnified in terms of their purchasing power and not merely in terms of the face value of the dollar bills they receive by way of pension. When former members of the R.C.M.P. and the public service retire, surely they have earned the right to live with dignity.

I have in my hand a copy of a letter I received from a former R.C.M.P. sergeant who is living in my constituency of Burnaby-Seymour. He says in part:

> We have made a canvas among a good number of our senior members who served full time in the service of their country and who are receiving pensions that hardly look after their rent. Some of them are in destitute circumstances. The last increase in R.C.M.P. pensions was in 1959. There are a number of us who are gainfully employed and who do not have to fully depend on a pension (thank God). I had 24 years of service, being pensioned in 1956 as a sergeant. My pension is approximately $2,700 per annum. My salary when pensioned was $4,980 per annum, whereas a sergeant today receives $9,074 and if leaving on pension at 24 years under Part Three of the R.C.M.P. Act, would receive approximately $425 per month in comparison to my pension of approximately $225, so you can see that in 12 years the pension has been almost doubled, and this has been brought on by the cost of living index rising every year with the resultant raises in salaries. The pensioners' income should rise along with the raises in pay and cost of living index, but they remain stagnant.

I agree with what this retired R.C.M.P. sergeant has to say. We have to set an example in this country by proving that those who establish a career with the government, whether they be members of the R.C.M.P., civil servants or members of the armed forces, enjoy fair treatment on the part of the federal government and are given the right to live with dignity. We owe it to these people to make sure that they are able to enjoy a reasonable degree of security in today's inflationary environment. We have to think not

only in terms of helping those who are former members of the R.C.M.P. and the civil service but also those who have fought the good fight in the past, have served loyally and faithfully and today are among the chief victims of inflation.

Mr. Deputy Speaker: Is the house ready for the question?

Some hon. Members: Question.

Mr. Deputy Speaker: All those in favour of the said amendment will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The house divided on the motion (Mr. Knowles, Winnipeg North Centre) which was negatived on the following division:

• (3:50 p.m.)

YEAS

Messrs:

Benjamin
Brewin
Broadbent
Burton
Dionne
Fortin
Gilbert
Godin
Harding
Howard (Skeena)
Knowles (Winnipeg North Centre)
Laprise
Latulippe
Lewis
MacInnis (Mrs.)
Mather
Matte
Peters
Rodrigue
Schreyer
Skoberg
Tétrault
Winch—23.

NAYS

Messrs:

Aiken
Allmand
Anderson
Badanai
Baldwin
Barrett
Basford
Béchard
Beer
Bell
Bigg
Blair
Blouin
Borrie
Breau
Buchanan
Cafik
Carter
Chappell
Clermont
Coates
Code
Comeau
Comtois
Corbin
Côté (Longueuil)
Crossman
Cullen
Deachman
Diefenbaker
Dinsdale
Drury
Dubé
Flemming

Division

Forest
Forget
Francis
Gendron
Gervais
Gibson
Givens
Gray
Groos
Guay (St. Boniface)
Guilbault
Haidasz
Harkness
Hellyer
Honey
Hopkins
Howard (Okanagan Boundary)
Isabelle
Jamieson
Kierans
Knowles (Norfolk-Haldimand)
Laing
Lambert (Edmonton West)
Lang
Langlois
Laniel
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lind
Lundrigan
MacDonald (Egmont)
Macdonald (Rosedale)
MacEwan
MacInnis
Mackasey
MacLean
Macquarrie
McCleave
McCutcheon
McIlraith
McIntosh
McNulty
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Marshall
Mazankowski
Moore
Morison
Muir (Lisgar)
Nesbitt
Noble
Noël
Nowlan
O'Connell
Olson
Ouellet
Paproski
Peddle
Penner
Pepin
Perrault
Pilon
Portelance
Prud'homme
Reid
Richard
Richardson
Ryan
Simpson
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stanfield
Stewart (Cochrane)
Stewart (Marquette)
Thomas (Maisonneuve)
Thomas (Moncton)
Thompson
Tolmie
Trudel
Turner (London East)
Wahn
Walker
Watson
Whelan
Whicher
Whiting—125.

• (4:10 p.m.)

Hon. C. M. Drury (President of the Treasury Board) moved:

That Bill C-178, to amend the Canadian Forces Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Superannuation Act the Royal Canadian Mounted Police Pension Continuation Act and the Public Service Superannuation Act, as reported (with amendments) from the Standing Committee on Finance, Trade and Economic Affairs on Wednesday, March 19, 1969, be concurred in.

Motion (for concurrence) agreed to.

Mr. Drury moved that the bill be read the third time and passed.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have a few words to say about the Canadian Forces Superannuation Act. I

should like to draw the attention of the house to some things which have been happening in respect of the Canadian forces. This matter has been raised on a number of occasions by members on this side of the house and I know that a great number of members on the government side have also become aware of it. The Canadian Forces Superannuation Act and the interpretation thereof is, frankly, being used as a blackjack to keep men in the armed services. It is also being used to exercise discriminatory ways of handling men who decide they wish to withdraw from the services for different reasons. I am aware of many cases concerning particularly men in the non-officer category. What happens sometimes is that the serviceman applies to get out of the service because he does not like it. Frankly, this may still be the result of unification. They have very much in mind the words of the present Minister of Transport (Mr. Hellyer) when he was minister of national defence, that no man would be penalized as a result of his written request to get out.

I say that never was anything so false said or words so turned around, because scores and scores of cases have now come to my attention, and I know my colleagues have many other cases, in respect of which the Canadian Forces Superannuation Act has been used deliberately to keep men within the services. We know now that the morale among the members of the armed services has admittedly been bad and is worse. There are great gaps at the various levels within the services.

I have a particular case which I drew to the attention of the Minister of National Defence (Mr. Cadieux) who is looking into it. There are cases involving two men who worked alongside one another. One man states that he wants to get out; he does not want to re-engage. He is a long-service man who has had 22 years and 132 days' service. He was subjected to a penalty of 10 per cent. He had to pay back a portion of his re-enlistment bonus of $600. Since he left the service he met his former pal who had worked at the same place. This man had refused a transfer to another base. He was near the end of his engagement. It was decided to release him under some other provision. He was not penalized the 10 per cent nor did he have to repay his enlistment bonus or a portion thereof. Why the different treatment? There are numerous cases of this kind.

I have spoken to the Minister of National Defence, and all the while he exhibits the best of good will in cases of this kind and I know he is embarrassed by the situation. I wish to point out clearly to his senior military advisers that what they have been doing in these cases represents a breach of faith with the men and officers of the armed services as a result of unification. There have been far too many complaints and, shall we say, far too many instances of discrimination. Sometimes a man commits a minor offence which is just short of serious trouble and he is discharged for the good of the service. Often the person involved does not want to re-engage; he wants out. This man is simply told that he is being discharged. These men are happy to get out in any event regardless of the nature of the discharge.

It seems also that there have been some very friendly arrangements in respect of some discharges concerning whether or not the re-enlistment bonus should be returned. It is like the case of the old golden bowler. There was dishonesty with regard to some men who applied for this retirement bonus. Yet everything was done on an alleged up and up basis.

That is all I intend to say on this matter, but I wish it clearly understood that I know of scores and scores of cases of discrimination in discharges. The minister himself cannot look into all of these individual cases, but I suggest he should really step down hard on a number of types of cases. I do not know how he will manage this—I am not in the armed services—but this situation must be remedied. In many cases those who are affected are corporals and sergeants, the men who have considerable service. These are the persons who have been the experienced backbone of the services and have from 10 to 20 years service. Sometimes these people find that a person serving with them is given preferential treatment. If anything will hurt morale in the services this is it.

I say with all seriousness that I have a great admiration for the Canadian Armed Forces and a great love for them. What has been done is a matter of record. I grieve for these people. Finally, on the basis of an *ex gratia* payment an error is admitted and things are corrected. This is all I have to say on this occasion but I hope we will see some amelioration in the handling of superannuation.

• (4:20 p.m.)

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I did not take part in the debate on second reading and my remarks

now will be short but I hope they will be to the point. I am concerned about this legislation in so far as it affects retired public servants, retired members of the R.C.M..P and retired members of the armed forces, but I particularly wish to deal with the question of the superannuated public servants.

I cannot forget the fact that in reply to questions placed on the order paper by my colleague from Winnipeg North Centre last December, information was received to the effect that 7,201 public servants were receiving pensions of less than $60 a month. That means that one-fifth of all the retired public servants are being asked to exist on less than $60 a month. In addition, some 8,000 widows of retired public servants receive less than $60 a month. That means that half of the widows of deceased public servants receive less than $60 a month.

We are dealing here with human beings and not just figures in a book. With today's prices no one can live on $60 a month. These people are not retired, they are rejected, they are neglected, they are thrown on the scrap heap, they are despised by the government that deals with them.

In May, 1967, a joint committee of the House and Senate made a unanimous recommendation that the pensions of these three groups of people should be raised. Whenever the question has been raised in the house since that time we have been given the runaround. We have been told that the matter is under consideration. We have been told it is being looked at. We have been told to wait until this report or that finding is brought in. And all the time these people are expected to exist on $60 a month; all the time the cost of living has been escalating. Last year alone it went up by 4 per cent.

In my view this is a gross betrayal of people who have given the best years of their service to their country. I do not think this betrayal should be obscured by the kind of talk we have had this afternoon. These are not just bookkeeping entries. The cost of living has gone up and these pensions should contain an escalator clause.

It is all very well for members on the government side to applaud these retired public servants. I noted one member from my own province whose heart fairly dripped blood and whose eyes were washed with tears at the plight of our retired public servants. Yet he got up and voted for this legislation under which the government will pay a higher rate of interest on superannuation fund accounts, but none of this extra money is to be used to pay higher pensions. What kind of honesty and integrity can people expect with that sort of thing?

This legislation provides for the payment by the government of higher rates of interest on superannuation funds for retired public servants, retired members of the R.C.M.P. and of the armed forces, but it also provides that no extra money will be paid in pensions. This is simply showing contempt for the people in these three categories who have worked for this country. I feel it is a great tragedy that the amendment moved by my colleague from Winnipeg North Centre has been defeated.

Once again we shall have letters flowing on to our desks from people who desperately watch the cost of living rise and try to live on pensions of $60 a month or less. A great many of these pensions are only $20 a month. This is an impossible injustice. I feel sure the people of this country will not remain quiescent when they realize what the government has done today. Its action is definitely giving the no to the unanimous recommendation two years ago of the Senate and House of Commons joint committee. It is giving a definite no to the people who had hoped that recognition would be given to the principle that retirement allowances should keep up with the cost of living. These people have asked for bread; they have been given the stone of neglect and complete rejection.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, once more I want to share in the battle on behalf of those superannuates in the three categories mentioned in this legislation. I was a member of the joint committee of the House and Senate referred to by the previous speaker. We presented a unanimous recommendation, and we have been waiting for a long time for action upon it.

Every weekend without fail I have had a call from at least one person, and sometimes more than one, asking when we are going to do something for these older people who retired some years ago. For some six months or so I have answered that I thought the government had many problems to wrestle with, but I was sure its instincts lay in the direction of doing something for these people. I can no longer justify the government's abysmal neglect, and if I get more such calls I will give the most political of answers, that the only possible solution is to throw out the present gang on the treasury benches and

replace them with people who will have a heart for those now retired and in need.

One of the acts passed in 1959, the Canadian Forces Superannuation Act, being chapter 21 of the statutes of that year, required that an actuarial report be presented every five years on the Canadian Forces superannuation account. A report was presented on December 31, 1960. I gather that the second report was not presented in 1965. Perhaps it was commissioned in 1965 but it was not presented to this chamber until some time in the fall, and I am surprised at the number of service people who say they are unable to find out any information about this actuarial report.

I realize it is a public document, but apparently these people's attempts to find out what is in it through the normal channel—that would be the Department of National Defence—have not proven successful. Furthermore, I am surprised to learn that requests for information sent to the department by top military people on both the east and west coasts of Canada have not been favoured even with the courtesy of an acknowledgement. This I know to be a fact. It is something that is absolutely baffling to the officers and other ranks serving in the Maritime Command, and I presume the same situation exists on the west coast.

• (4:30 p.m.)

They are confronted with the clause in the legislation calling for an increase from 6 per cent to 6½ per cent. They knew last fall this would come about, when the pay increases were announced. But nobody has come along since to explain to them in dollars and cents why there should be an increase from 6 per cent to 6½ per cent. They are all contributors to it and in this sense one may call them shareholders. It is for their protection, their well-being and that of their families; yet they are unable to obtain information and answers to fairly basic questions. This is just about as good a way of destroying the morale of people who work in an important part of the government service as any that one could find.

I do not know why they are not given the information. I do not know why the letters from the senior people on the east and west coasts are not answered by Ottawa. Surely somebody could sit down and give these commanders information which could be passed round their commands. But this simply has not been done. So the service people look at the figures, they look at their contributions and at the interest earned by the fund, and almost invariably they stumble on the fact that the income of the fund is more than the outgo, at least on the figures that are available. Then they say: If this is not actuarial soundness, where does the actuarial unsoundness lie, because the money keeps piling up rather than diminishing? They are not given answers to that sort of question.

Two of the questions out of the many that servicemen have asked are: Why cannot the fund be evaluated and updated annually to establish current actuarial soundness? They argue, I think soundly, that in this computer age this should not be difficult if the computer is properly programmed. They would also like to know the value of the account as at the end of last year. They have not received the answer to that question.

So there has been a complete breakdown of communication. I am referring specifically to the Canadian forces superannuation fund. I am not dealing with the other categories. Perhaps the situation is as bad there; perhaps it is better—I do not know. But with regard to the Canadian forces superannuation fund there has been a breakdown of communication between the commands and Ottawa resulting in a great deal of unrest and unhappiness and a pretty human feeling that the increase from 6 per cent to 6½ per cent might be an attempt by the government to raise more money with which to help itself out of monetary difficulties. Perhaps the minister can set their minds at ease and tell them the amount in the fund, and also point out wherein lies the so-called actuarial unsoundness that is supposed to exist in the fund and for which the increase of one-half per cent is said to be the remedy.

The hon. member for Edmonton West (Mr. Lambert) has made points about the circumstances under which people can be kept in the services by using the superannuation account as a very powerful inducement. This is a complaint that a good number of senior officers are also making. I think it should be known, and perhaps not enough stress is put on this, that while the serviceman may have an advantage in retiring early it is a rather mixed blessing. For one thing there is a difference between the public service superannuation fund and the forces superannuation fund. The public civil servant has a great deal more portability or transferability of his contributions to the fund. He may move about freely within government departments and

carry them with him. He may move from federal to provincial employ, or vice-versa, and carry them with him. He may move to most large civic governments and carry them with him. He may move to approximately 500 business firms and the portability is there.

But the serviceman who will probably be retiring at the age of 45 or upwards can transfer that fund only to other federal government departments. If he comes from another federal government department into the services, apparently he obtains no superannuation advantage, or at least the time spent in other government departments is not counted as qualifying time. I think this is a very serious disability to the men and women of the Canadian Armed Forces. I hope that when another look is taken at all these funds basic remedies to cover the points I have mentioned will be brought before us.

Finally, dealing specifically with the Royal Canadian Mounted Police portion of the act, and perhaps with some of the others, I point out that from time to time grievances are presented not only to myself but to other members involving the operations of the Royal Canadian Mounted Police superannuation fund. One person in my riding has had correspondence on his grievance for some 15 years now. Apparently he made a wrong election—somewhere along the way he was given poor advice—and has never been able to overcome the disability that he suffered.

This problem was taken originally to the St. Laurent government, so hon. members can appreciate that it did not arise just yesterday. Then it went to all the governments in turn, because this fellow is pretty vocal and is not going to stop writing to some M.P. about his problem until he is no longer able to write. The answer has been almost invariably the same. I think there is only one answer to his case, and that is to have some kind of appeal board dealing with the Royal Canadian Mounted Police portion of the fund to which the may may go, present his grievance and receive an ombudsman-like type of remedy. I do not think that under the way the fund has been operated the possibility of making an effective appeal is very likely. I believe the chances are that there will be the same turndown time after time. I know the man's file is a thick one. Every time he has reinforced his case the Department of Justice or the Royal Canadian Mounted Police have reinforced their answer. I think he has introduced some rather compelling new points of grievance which have been simply shuffled aside.

These are the points I would like to make about these three funds. I hope more information will be available. As I say, I do not know about the kind of information available to public servants and the R.C.M.P., but I do know from talking to senior officers in the armed forces that they feel they are receiving no information at all and that there has been a real breakdown in communications. When letters written to Ottawa by senior people are not even acknowledged, let alone the important points raised in them answered, I think the Department of National Defence has brought a good deal of trouble on itself that it could very easily have avoided.

• (4:40 p.m.)

I do not want to heap that kind of criticism on the President of the Treasury Board (Mr. Drury) who is piloting this legislation through the house this afternoon. But I do suggest to him seriously that he should urge the Department of National Defence to inform these service people of what is going on with respect to their fund, and to answer the questions that have been raised and the correspondence from important people on both the east and west coasts in the last six months.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I have just a few words to say before we give third reading to this bill. First, may I say that all the pleas by government members that they are just as sympathetic to the cause of retired civil servants as we on this side are, all the arguments about people not understanding the intricacies of pension funding versus non-funding, and all the complaints about a debate of this kind producing too many letters for some hon. members to deal with, do not set aside the fundamental fact that it is almost two years since a joint committee of both houses recommended action on behalf of retired civil servants, and nothing has been done. This is to the discredit of parliament and of the government for not providing an opportunity for dealing with this important measure.

I fully understand how the hon. member for Ottawa East (Mr. Richard) feels about this matter for he was the Commons chairman of the joint committee. He did a good job and all of us who were on that committee feel that faith was not kept. We feel that we had a right to believe that the recommendations we made would be acted upon, and for the government, now nearly two years later, to be amending these various superannuation acts without providing the increases that were

recommended and in fact promised, is a crying shame.

So far as this bill is concerned, as has been said on several occasions, we believe there are a number of good things in it. I think particularly of provisions for widows who will have their pensions reinstated if a second marriage results in a divorce. I think of the provisions for children who stay in school or at university to have their pensions continued until age 25. I also think of certain adjustments that have been made between these plans and the Canada Pension Plan or the Quebec Pension Plan. All these things are good, and that is why we are prepared to vote for this legislation.

I still regret that by virtue of a vote taken earlier this afternoon the bill contains clauses which provide for the government to pay a higher rate of interest on the money in the funds but on the strict understanding that none of that additional money is to be used to pay higher pensions to those who are now retired. I think that is a trick that is unworthy of the government. However, even with that in it the bill has other measures that are good, and therefore we feel it should receive the support of the house. But I plead as earnestly as I can that the next time the government brings in a bill to amend these various superannuation acts it deal with the matters that we have been talking about.

I give the government three things to do. First, I propose that the government provide for an increase in the pensions of those who are now retired. Second, I propose that it build into the act an automatic clause that will escalate after retirement—and here I am referring to those who are now working—the pensions of retired civil servants and I propose that that escalation be in line with increases in wages and salaries. Third, I propose that the government change the rate of the widow's pension. Leaving it at only 50 per cent of the late husband's pension is quite unfair, particularly when in our own Members of Parliament Retiring Allowances Act the rate for a widow's pension is 60 per cent. As a matter of fact, I think the rate for widows of civil servants should be higher than that; I would say 75 per cent.

I hope there will be another bill amending the Public Service Superannuation Act soon—I hope it will come this session. Let it do the three things I mentioned: raise the pensions of those now retired, build in an automatic escalation clause, and increase the rate of pensions paid to widows.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Deputy Speaker: Is the house ready for the question?

Motion agreed to and bill read the third time and passed.

BUSINESS OF THE HOUSE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I wonder whether I could announce a change in the order of business which has been agreed to by all sides. The maritime freight rates bill be not proceeded with now. I believe there is agreement to proceeding with government order No. 56, the report stage of Bill C-172, to amend the Financial Administration Act, and also a further understanding that this evening we will deal with government order No. 57, the government reorganization bill, in the hope of finishing it this evening.

GOVERNMENT ORDERS

FINANCIAL ADMINISTRATION ACT

AMENDMENTS DEFINING VARIOUS TERMS AND AUTHORIZING THE EXERCISE OF POWERS—REPORT STAGE

The house proceeded to the consideration of Bill C-172, to amend the Financial Administration Act, as reported (with an amendment) from the Standing Committee on Miscellaneous Estimates.

Hon. Marcel Lambert (for Mr. Hales) moved:

That Bill C-172, an act to amend the Financial Administration Act, be amended by deleting from clause 7 at line 4, page 5, the words "five thousand" and substituting therefor the words "one thousand".

He said: Mr. Speaker, at the present time section 23 of the Financial Administration Act reads as follows, and I think I should put the whole section on record:

23 (1) The Governor in Council, on the recommendation of the Treasury Board, may, if he considers it in the public interest, delete from the accounts, in whole or in part, any obligation or debt due to Her Majesty or any claim by Her Majesty that does not exceed one thousand dollars.

(1a) The Treasury Board may make regulations authorizing the deletion from the accounts of any obligation or debt due to Her Majesty or any claim by Her Majesty that does not exceed one hundred dollars.

(2) The obligations, debts and claims deleted from the public accounts under this section during any year shall be reported in the public accounts for that year.

The proposed amendment in Bill C-172 raises the regulatory right of the Treasury Board up to $5,000. It is my impression that at the present time—the minister may correct me if I am wrong—anything over $1,000 must be handled in a different way. In which way I am not sure at the moment except that it must be covered by an item in the estimates, particularly if it deals with taxes for which an assessment has been made or with a customs entry which has been made and has been incorporated into the revenue and there are figures on one side of the consolidated revenue accounts ledger which must be taken care of if it is then written off.

• (4:50 p.m.)

My hon. friend from Wellington has proposed that notwithstanding the effects of inflation, and some so-called desire for administrative convenience, the ceiling remains at $1,000. The government wants to make it $5,000, and that is the difference between us.

Nothing is said about claims which do not exceed $100. The bill is lumping the two classes together, and frankly I do not see the purpose of doing so. Publication will, of course, continue to be made in the public accounts but I suggest parliament should have still greater control. I do not like this idea that the Treasury Board itself should have power to act. This is why we are proposing the amendment. If hon. members would like to refer to the evidence given before the committee I would draw their attention to the Minutes of Proceedings and Evidence Nos. 10 and 11 and 12 where they may find a record of the discussion which took place. Having said this, I move that the amendment be accepted by the house. It does not involve a question of principle; it is a question of the amount. We would like to maintain the status quo as to the ceiling of the amount that can be written off under the act.

Mr. Deputy Speaker: All those in favour of the amendment, please say aye.

Some hon. Members: Aye.

Mr. Deputy Speaker: All those against the amendment, please say nay.

Some hon. Members: Nay.

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

Mr. Lambert (Edmonton West): On division.

Mr. Francis (for Mr. Leblanc (Laurier)) moved:

That Bill C-172, an act to amend the Financial Administration Act be amended by deleting from clause 13 thereof, section 35, as amended in the Standing Committee on Miscellaneous Estimates and substituting therefor the following section:

"35. The balance of an appropriation granted for a fiscal year that remains unexpended at the end of the fiscal year shall lapse, except that during the thirty days immediately following the end of the fiscal year a payment may be made under the appropriation for the purpose of discharging a debt *payable for work performed, goods received or services rendered prior to the end of the fiscal year or payable under any other contractual arrangement prior to the end of that year,* and such payment may be charged in the accounts for the fiscal year."

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, perhaps I might say a word about this amendment. The current language of the act, which is set forth on page 9 of the bill, does not, unfortunately, provide for payments contracted for prior to the end of the fiscal year in respect of which there may have been no work performed, goods received or services rendered. The case cited before the committee was that of an author commissioned to write a book or an artist commissioned to paint or reproduce a work of art. It is the practice of the trade, if I may call it so, for a payment to be made on the signing of such a contract even though no work may have been done or no service rendered.

In order to cover this kind of eventuality it was proposed to amend the section so that it would read "for the purpose of discharging a debt that became due prior to the end of the fiscal year". In committee there was some opinion that the relationship of the debt to services should be made a little more explicit, as a consequence of which the amendment now proposed by my hon. friend was introduced. It has the effect of elaborating on the words "a debt that became due".

The section now refers to a debt "payable for work performed, goods received or services rendered prior to the end of the fiscal year", to which the following words are now added: "or payable under any other contractual arrangement prior to the end of that year". This covers the additional circumstances I have mentioned, to reflect current methods of doing business. I commend the amendment to the house.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, the minister has correctly stated

that the government has accepted a restoration of all the words which existed in the previous section together with an addition. I think the minister made a case for the addition; the wording of the act did not cover the situation he described adequately.

I wish the minister had answered my question in the context of the proposals I put forward earlier and had explained why the government insisted on retaining the ceiling of $5,000, instead of putting the matter immediately to a vote. But we may be able to discuss this matter further on third reading. We on this side are in agreement with the amendment now put forward.

Amendment (Mr. Francis, for Mr. Leblanc, Laurier) agreed to.

Hon. C. M. Drury (President of the Treasury Board) moved:

That Bill C-172, An Act to amend the Financial Administration Act as reported (with an amendment) from the Standing Committee on Miscellaneous Estimates on Monday, March 17, 1969, be concurred in.

Motion (for concurrence) agreed to.

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

Some hon. Members: Agreed.

Mr. Drury moved that the bill be read the third time and passed.

Motion agreed to and bill read the third time and passed.

[*Translation*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. Pursuant to standing order 40, it is my duty to inform the house that the following question will be raised tonight at the time of adjournment: the hon. member for Rimouski (Mr. LeBlanc)—National Parks—Gaspé—Project at Pointe Forillon.

[*English*]

It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions, public bills.

[Mr. Lambert (Edmonton West).]

NOTICES OF MOTIONS

POWER

MINAS BASIN—SUGGESTED EXPEDITING OF STUDY AND DECISION

Mr. J. M. Forrestall (Dartmouth-Halifax East) moved:

That, in the opinion of this House, the government should consider the advisability of taking immediate steps in consultation with the proper provincial authorities to bring to a conclusion within the next twelve months, the feasibility study of Minas Basin tidal power and on the basis of the study make a decision to proceed, or otherwise, within six months of receiving the study.

He said: Mr. Speaker, my remarks on this subject could be very extensive or they could be brief. I intend to make them brief and to content myself with some four or five observations in connection with the study which is currently going on. I intend to relate my remarks to the development of the study which has taken place since the placing of this notice of motion on the order paper some six months ago, but before doing so I express the hope that the decision to provide more money for the study is a good omen for the province, bearing in mind the economic advantage which would flow from the development referred to in the motion.

• (5:00 p.m.)

The background to this on-going study which will culminate in June with a report to the government can very briefly be summed up in this way. In August, 1966, the federal authority and the provinces of Nova Scotia and New Brunswick agreed to launch what became known as feasibility studies by the Atlantic tidal power programming board. The programming board was made responsible for studying not only the physical but also the economic potential of the development of electric power from the massive tides in the Bay of Fundy and adjoining areas. Implicit also in the terms of reference of the committee was the very difficult and continuing task of studying and determining whether or not it would be feasible, assuming from an engineering point of view that it was, to transmit massive amounts of power to a ready and willing market.

These studies and their economic and physical or mechanical aspects have preoccupied the committee for some three years now. Indeed, so intensive did its work become that last year the board had to come back to its joint authority and seek additional

funds. At that time about $1 million was requested, and it is in the fact it was granted that I find the first glimmer of hope. There was no hesitation whatever on the part of the federal government or the provinces willingly to underwrite the additional amount of money required to complete the studies.

When these studies are completed—I think this must be understood by hon. members—it will be recommended to the three governments concerned that detailed studies should either be made or not made with a view to proceeding or not proceeding with such development. Indeed, in the terms of reference set down for the board was a very explicit and clear direction that the board should in its report include not only the details but the cost of additional studies. I assume those studies would relate to preliminary engineering work-ups, information about where the massive amounts of money required to finance this development could be found and at what cost. Perhaps because I am an optimist and believe that the report will be a positive one in all aspects, with the possible exception of that part of the report that deals with the cost of the money required, I hope that the three governments involved, but principally the senior government in Ottawa, will not in any way hesitate to extend these studies so that the question may be gone into in more depth, if only to determine at what stage this development could be proceeded with.

As I say, I believe the report will be a positive one. I do not think anybody questions the massive amount of electrical energy potentially contained in the tides of the Minas Basin, the Annapolis Basin and St. Mary's Basin, which were also included in these studies, as was Chignecto Bay. I think the report will indicate that it is possible from an engineering point of view to proceed, that the tidal regime itself is compatible with harnessing, that sedimentation—control over deposits on the floor of these basins—will not pose any real problem, that the massive amount of potential energy in the tides can be harnessed and transmitted economically, that there will be no detrimental effect on the fisheries or on transportation, for example, in these three specific areas and that the chief concern will be with regard to the cost of the capital required. If the report that is brought down is favourable in the directions I have indicated, I hope the government will not hesitate to authorize on-going studies to determine where the money required can be borrowed, at what cost, and to what extent the federal authority may, if the cost of the money is too expensive, subsidize such cost.

The benefits of this development to the Atlantic provinces are sufficient to excite the hearts and souls of anyone who has had to live, work and struggle industrially in Nova Scotia or New Brunswick. At last year's federal-provincial constitutional conference the premier of Nova Scotia, the Hon. G. I. Smith, among other points made a very real and continuing one. It was he who sounded the call to arms, so to speak, for all Canadians to act in the national sense in order to reduce the incidence and magnitude of regional disparity. Indeed, so clear was the premier's plea in this regard that the government responded positively. I am not giving all the credit to our premier but it was he who first spoke out publicly and most forcefully. As I say, the government responded in a positive sense, and as a result the house is now considering the proposal to establish a regional desk, the department of regional affairs.

One premise to which the premier is dedicated is implicit in his urgent call, and I suppose it is a key segment of any plan to reorganize our economy with federal help. It is that Canada is only as strong as its provinces. You cannot have national unity as long as you have disparity of the magnitude that exists in Canada today. It exists most notably, of course, in the rural parts of Quebec and in the Atlantic provinces. One way, indeed the only real way, to overcome it within a reasonable period of time and without massive subsidies for programs fulfilling varied requirements would be by reacting positively to the report of the tidal programming board and for the government to become involved in the capital expenditures required for the building of dams and hydroelectric generating systems.

• (5:10 p.m.)

If the cost of money will make the carrying out of this program prohibitive I suggest we could subsidize the cost. There is nothing inconsistent about that. If that is not done the people of Canada for a long time will pour money on a massive scale into various programs for the Atlantic region until, accidentally, one is found that works. That is not good enough. The hydroelectric power potential of the Minas Basin and the Bay of Fundy in general is unmatched. If we could tap it the electrical power produced would exceed by an almost immeasurable margin all the electric power produced in Canada in 1969.

The project would produce more power than is generated in all of North America.

So fantastic and so encouraging are preliminary reports that that statement stands, I think, without contradiction. In practical terms it means that with such power available reduction industries which need massive amounts of power could be set up in Nova Scotia and New Brunswick to employ our people, not in groups of five or ten but in thousands. That is what we require. We have hundreds of industries in the Atlantic provinces but each employs only a handful of people. We need large industries employing thousands of people so that we can build up our markets and so that the port of Halifax will have a viable reason to continue as a port. The port is on deep water, and a spin-off effect of these huge new industries would be the revitalization of one of our most viable industries at present, the port of Halifax.

I reiterate that it is necessary for the government to react favourably to the report which, to judge from what I know, will be a favourable one. I therefore suggest that the government ought to react positively by making clear at an early date that if the cost of money is the only serious impediment to carrying out the program it will consider subsidizing that cost and will involve itself in this development.

The final part of my notice of motion calls on the government to make a decision to proceed or otherwise with this project within six months of receiving the study. I have included that wording because the passage of time concerns us. We do not want to wait 15 or 20 years for someone to say that the money market is favourable and if the program is begun then it will be finished within seven or eight years. If the study is positive the project should not be shelved but proceeded with as soon as the government has had an opportunity to look into all its implications. I make this suggestion because I know it will take a certain amount of time before a final decision can be taken. In any event, I hope that by January 1, 1970, the government will be deeply involved in the on-going studies that will result if the terms of reference of the feasibility study have been met. I invite hon. members to support this notice of motion.

Mr. Herb Breau (Gloucester): Mr. Speaker, may I congratulate the hon. member for Dartmouth-Halifax East (Mr. Forrestall) for bringing this matter to the attention of the house during private members' hour. It is an important subject and has been debated at least twice during the time I have been in the house. I was happy to speak on it on previous occasions.

As was pointed out, in August, 1966, the government of Canada entered into an agreement with the governments of New Brunswick and Nova Scotia to study the feasibility of power development in the Minas Basin area and Shepody Basin. The present notice of motion asks the government to consider the advisability of taking immediate steps in consultation with the proper provincial authorities to bring to a conclusion within the next 12 months the feasibility study regarding tidal power development which has been mentioned previously and to make a decision on that project.

The agreement signed in August, 1966, indicated that the feasibility study probably would be finished by June 30. Perhaps it will not be possible for that to be done. Nevertheless, up to now it has been understood that the study will be completed by June 30. Once it has been completed the government of Canada, in conjunction with the provinces involved, will have to decide if the report is positive and favourable. The government of Canada will then have to decide how it will help the provinces to finance the project. Should the report be positive it will mean that the provinces of New Brunswick and Nova Scotia will have a great potential opportunity to sell power to the United States. It will also show how important the Bay of Fundy area is to the development of tidal power.

If the report is positive and favourable we should consider not only the development of electric power but also the opportunities for employment that will be opened up in the Atlantic region. Employment opportunities will be created in the building of these power installations as well as after they have been finished.

The government has committed itself to the idea of reducing regional disparities in this country. Before the present house there is a bill setting up the Department of Regional Economic Expansion. The minister who will be in charge of this department has already said that economic expansion by itself does not mean much without the co-operation and co-ordination of all government programs. This fact has been brought before the house many times during the debate on the reorganization bill. It has also been brought to the attention of the Standing Committee on Regional Development. As mentioned by the

hon. member for Dartmouth-Halifax East, the employment created by such a project would be as good and possibly better than subsidizing 10 or 15 industries in New Brunswick or Nova Scotia.

• (5:20 p.m.)

This is an area where the government by its planning and co-ordination of programs can assist the Minister of Regional Economic Expansion. The decision to finance this project and to assist the provinces of New Brunswick and Nova Scotia will have to take into account the good these projects can do to the economy. The rate for power will be reduced enormously and it will help our balance of payments. The government will have to be consistent because this is one way to help the economy of New Brunswick and Nova Scotia. We had a example in New Brunswick in the last three or four years in the Mactaquac power project which assisted the payroll of New Brunswick enormously. The fact that many people were employed on that project for three or four years will have to be taken into consideration.

I would like to say a few words with regard to the power aspect. The Bay of Fundy is one of the few places in the world where tides range up to 52 feet. The bay is about 50 miles wide at its mouth and is about 180 miles long ending in two arms, Minas Basin and Chignecto Bay. It is because of these enormous tides that the subject of power development was raised. The question has been raised as to how important tidal waves are in power development.

An enormous amount of energy is contained in the daily movement of tides throughout the world. Tidal power dissipated by friction and eddies alone has been estimated as being roughly comparable to all of the economically exploitable power potential of the rivers of the world. A power development project seems to be feasible in the Bay of Fundy.

I hope that in presenting this motion the hon. member for Dartmouth-Halifax East was not suggesting that the study should be stopped within 12 months. The Atlantic Tidal Power Development Board may require more time than that. I think the hon. member's point is that the project should not be forgotten with the conclusion of the study. If the report is positive, I will support the building of this project as soon as possible. However, it would be subject to priorities. As I stated, the government will have to study it from an economic expansion point of view. If the report is positive I will ask the government to help the provinces of New Brunswick and Nova Scotia to finance the project.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I congratulate the hon. member for Dartmouth-Halifax East (Mr. Forrestall) for having again brought this matter to the attention of the house. The hon. member has implied that the study begun several years ago is progressing well. The motion asks that the study be brought to a conclusion within 12 months and a decision made on whether the project will be proceeded with.

I have always been impressed with the amount of power estimated to be contained in the tides of the Bay of Fundy. It has been the source of engineering inspiration for many years. I am surprised that the study has now reached a cost of $1 million without any indication to the people of this country of what is being achieved. If $1½ million is to be spent on a study of this great natural resource, it is time for the people involved in the study to put forth some information as to their findings and the findings of other countries in this regard. I understand that considerable work has been done in this field in at least two other countries, in Holland where power was generated from a similar source and in Madagascar where a large experiment was sponsored by the French government. The French have also experimented in their own country.

I was interested to hear of the potential that this project has for this area. I disagree with the hon. member on the government side who suggested that this project should be proceeded with soon in order that the power may be sold elsewhere. This is a typical solution to power development in the normal sense. At Hamilton Falls, where there really is no industry, we talk about establishing and expanding our national grid by permitting the sale of that power. Surely that is not what we want in the maritimes. In the maritimes the development of this natural resource should provide a source of inspiration for the development of industry.

Unless the study reaches a decision with regard to developing secondary industry in that area, the quantity of power produced will only mean cheaper power for cities such as Toronto, Montreal, Boston and New York. It really will not assist in the development of the maritimes. I hope the study will take into consideration the aspiration of the people of

the maritime provinces not to sell power but to develop industry.

• (5:30 p.m.)

I believe it will be found that we are much too late in developing just another cheap power resource. I think of a number of statements that were made when the Saskatchewan River project was being developed. I sat in on a meeting when the former premier of that province had a discussion with his finance minister about the cost of developing power on the Saskatchewan River. He pointed out at that time that power could be developed from a thermal plant probably two mills cheaper than by the hydro plants on the Saskatchewan River. The decision to go ahead with the Saskatchewan River project did not hinge on the power development but on the total change in the economy of the whole area this project would bring about. That again raises the point of whether or not this project was 50 years too late. The irrigation part of the project was a dream of the people on the prairies in the dust bowl days because it would have perhaps alleviated the depression in that area which was probably worse than in any other part of Canada.

For many years the people of the maritimes have been working very hard to develop the economy of their area. I hope that this power development, if it takes place and when it takes place, will not be a power development for the sake of power but that it will be for the sake of the natural resource around which a totally new and vibrant economy could be created. If we are only to become involved in establishing grids, I feel quite strongly the people of the maritimes will get absolutely nothing out of the expenditure except the labour force that is involved in producing it. My area has probably the only large power developments that are taking place in Ontario or which will take place in the future. We are putting that power into the major cities, thereby defeating the problem we are trying to solve which is to bring industry into the area. We are doing this because the project which is worth $40 million will employ 2,000 or 3,000 people on a temporary basis. When the plant is in operation it will employ 30 or 40 people. It will be a cheap source of electricity for the industrial area of Ontario and the United States.

I hope the house will agree to accept the motion of the hon. member for Dartmouth-Halifax East (Mr. Forrestall), and in doing so will be cognizant of the particular value this development could have in relation to the total economy of the maritime provinces. I strongly urge hon. members who are interested to remember that if the only purpose of the project is the production of cheap power, that probably could be produced in a much better way in other areas. If the purpose of the federal government and provincial governments, in co-operation with the minister of regional development, is the development of a secondary industry which would rely on the hydro-electric resource being developed by this project, then the project will be worthy of the support of every member in this house. If it is to be only a cheap source of power for export purposes, I for one think we should only consider the engineering feasibility of the project and not the practicality of developing electricity. If this project will produce a resource which will be able to solve many of the problems of the maritimes, it will be of benefit to this area. However, if it is only for the purpose of providing cheap electric power, it will provide very little revenue for that area.

At the same time the power produced will be of value to the areas which will be in competition with this area.

Mr. G. A. Percy Smith (Northumberland-Miramichi): Mr. Speaker, I welcome an opportunity to say something on this very important subject. I congratulate the hon. member for Dartmouth-Halifax East (Mr. Forrestall) for bringing forward this notice of motion. The question is of interest to me and the residents of my riding of Northumberland-Miramichi. Although we live about 150 miles distant from Minas Basin and in another province, it is important to everyone living in the maritime provinces. Any measure or any project which tends to increase the supply of electric power or to lessen the cost of the same should be supported by all maritimers. The province of Nova Scotia and New Brunswick are linked in a power grid and projects of this nature would be mutually beneficial. The importance of an adequate supply of power at reasonable rates to the growth of our economy cannot be over-emphasized.

I feel sure the minister who will head the new Department of Regional Economic Expansion is aware of this. It must not be forgotten, however, that two of the main factors to be considered by any industry which might be interested in establishing in the maritimes are first, the one I have just mentioned, and second, transportation. I should like to speak a little about an adjoining

power project which involves the harnessing of the tremendous tides of the Bay of Fundy. This is a project which has been studied in greater detail, and I believe is more feasible than the Minas Basin project. I am referring to the harnessing of the tides of Shepody Bay and Cumberland Basin. This latter project is usually associated with the Chignecto Canal in one giant package. The canal would open up shipping on the East Coast and the Northeast Coast of New Brunswick and make even more necessary and urgent the dredging of Miramichi Bay to a depth of 26 feet, a project that we have been seeking for many years.

As to the amount of power that could be produced, the so-called Robichaud Report of January, 1962 stated—

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member, but I would invite him to deal specifically with the notice of motion. The notice of motion deals with the Minas Basin Tidal Power Project and I would invite him to direct his remarks specifically to that subject.

Mr. Smith (Northumberland-Miramichi): We do not have as detailed figures in respect of the Minas Basin project as we do in respect of the adjoining project which as I say, would utilize the same tremendous tides. Incidentally, I would concede to the hon. member who brought forward the motion that the project in respect of which we have some figures is insignificant in comparison to the tremendous power that could be produced by harnessing the tides in the Minas Basin.

• (5:40 p.m.)

However, the report to which I referred, of January 1962, stated that the tides in Shepody offered a minimum potential of 5½ billion kilowatts per year. From a later estimate, arising out of studies made by the Foundation of Canada Engineering Corporation, the figure of 10 billions has been suggested as the bare minimum. At that time, in 1962, the cost was estimated to be in the vicinity of $325 million for 100 units, 50 on each bay, Shepody and Cumberland. This would be exclusive of the cost of interest during construction. At the same time the cost of the canal itself was estimated at $142 million.

It should be noted that at that time New 10 billion cubic feet of merchantable timber. Brunswick industrialist K. C. Irving unilaterally promised to establish new industry in the vicinity of the canal and power project to a capital cost of $100 million. In 1961, when Mr. Walker, the then minister of public works, spoke unfavourably about this canal project that offer was withdrawn, but I understand it has lately been renewed.

I would like to quote from an editorial by Michael Wardell, in the *Atlantic Advocate*, on this subject. He has been secretary of the Chignecto Canal Committee and has studied this project from its very beginning. He wrote:

> The tidal power of Chignecto Bay is likely to be for all time the cheapest power, inexhaustible, and once established becoming ever cheaper in terms of real values that rise in relation to money.
>
> It should be used for providing the peaks of power integrated by means of a grid with firm power supplied from thermal, hydro or atomic generators.

While I do not wish to take anything away from the importance of the Minas Basin tidal project, and while I do support the hon. member in his appeal for a study, I would point out that it is a much larger undertaking than the one nearby that has been studied in great detail.

Writing in an editorial in the *Atlantic Advocate* of December, 1964, Brigadier Wardell said as follows:

> Alongside is Minas Basin, another tidal project so huge that it daunts the hearts of our planners even to think of it. It has the attractive by-product of a road which might be laid across the dam to connect the area of Cumberland county to the Annapolis valley.

It is known that it is feasible to produce electric power by harnessing these tremendous tides of the Bay of Fundy. A joint United States-Canada study was made of the Quoddy project near the border of Maine and New Brunswick on the same Bay of Fundy. In the report of the International Joint Commission dated April, 1961, a similar project there was declared to be fully feasible.

There is no doubt that the impact of the development of one of these projects on the economy of the Maritime provinces would be immense. Much additional employment would be created during the period of construction. But it is the permanent prosperity following the completion of the plan that would raise the standards of the region for all time. There is a general belief that it would contribute tremendously to the development of the Maritime provinces.

The provinces of Nova Scotia and New Brunswick have vast wealth in natural resources. Nova Scotia has rich deposits of gypsum and coal in great quantity. It also has more than 10 million acres of forest land and New Brunswick has over 15 million acres of forest land and 17 billion cubic feet of merchantable timber. A recent report of the government of New Brunswick stated that annual

utilization of forest products could and should be doubled. In addition, New Brunswick has large mineral deposits to be developed.

These regional resources, wood, minerals, chemicals and salt deposits which Nova Scotia has in abundance, are all dependent upon an ample supply of cheap power for processing. The Maritimes should be the resource base for Britain and Europe, and with cheap power could develop in processed products an important export trade served by its winter ports.

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I see there are only a few minutes left and I know the house would want to bring this matter to a vote. I merely want to indicate my support for the motion of the hon. member for Dartmouth-Halifax East (Mr. Forrestall), and I certainly was pleased to hear my colleagues from New Brunswick, the hon. member for Gloucester (Mr. Breau) and the hon. member for Northumberland-Miramichi (Mr. Smith) speak in favour of it, although they did have some reservations.

This project has an interesting history and I want to take just a moment to go back to 1962 when action was taken which brought about this report. It was, I think in all fairness, the result of a committee that was formed under Premier Robichaud of New Brunswick with respect to the Chignecto canal and most of us on both sides of the house from the Maritime provinces were on that committee. We held many meetings. They were very constructive. We urgently recommended that consulting firms, three very highly qualified firms, H. G. Acres and Company, Foundation of Canada Engineering Corporation, and LaSalle Hydraulic Laboratory Limited, be commissioned to conduct a survey into the Chignecto canal project, and from information in that study we made our decisions.

We decided that there were large quantities of low cost electric power that could be generated by using the tremendous tides of the Bay of Fundy, and that a new approach should be made to the federal government for the construction of the Chignecto canal. The report, and I quote, covered:

> —the possible effects which the development of tidal power at the head of the Bay of Fundy might have on the Chignecto canal.

There was an assessment of the kilowatt power available, and I might say at that time it compared quite favourably with the development in Labrador which is now in existence. However, this is the main recommendation that came out of that committee:

> For a number of years we have been interested in the improved transportation facilities for the Maritime provinces which would result from the construction of the Chignecto canal. The joint preliminary report from the three consulting firms states that the construction of a dam across the entrance of the Cumberland Basin, required for the development of tidal power and for keeping the water in this basin at a higher level, would have a beneficial effect on the cost and operation of the approach to the Chignecto canal by reducing the initial cost of dredging, as well as its future maintenance costs. It would also reduce tidal currents now prevailing in the Cumberland Basin, thus improving the navigation.

• (5:50 p.m.)

This is one of the main reasons I rose at this late hour to support the development. I think the Minas Basin tidal power project has a tremendous future. I hope the feasibility report will come forward and we will undertake any later studies that are necessary. We, in the house, have been talking in a very derogatory way about the various reports and studies made for many years regarding the Atlantic provinces. I agree that there have been too many. But this is one future project, with all its ancillary benefits, that I think every member would like to see considered in detail and afforded the fullest study which will result in recommendations and definite action.

The project has been likened, as I say, to the one in Labrador of the magnitude of nine kilowatts. In this day and age the project stands on its own two feet as far as costs are concerned. But let us not lose sight of the great benefits that would accrue to the Bay of Fundy area if we saw our way clear to move in this regard. The problem of regional disparity is a current one. I think this project would fit very well into our plans in dealing with that problem. It would bring to the port of Saint John, in which I am interested, a vibrant and healthy future. We would have the benefits of the cheap transportation that the Chignecto Canal would bring. This would, of course, be made possible by the development of tidal power in the Minas Basin-Shepody Bay-Chignecto area.

In closing, Mr. Speaker, I would remind the house of the support this project has received through the years. I have quoted from Premier Robichaud's statement of 1962, when he was more interested in this matter than he is now. I know that his province now

has horrible financial troubles. I know that New Brunswick is on the verge of bankruptcy, and we hope something can be done to assist the province. At the same time, we must recognize that while the support of Premier Robichaud has waned a bit lately because of all his other troubles, his support is indelibly written into this report of May 31, 1962. I commend it to the house, together with the support of those who have already spoken about this project. I hope we shall not talk this measure out but will take a vote on it before six o'clock.

Mr. Russell C. Honey (Parliamentary Secretary to the Minister of Forestry and Rural Development): Mr. Speaker, I thank the hon. member for Saint John-Lancaster (Mr. Bell) for providing a few minutes in which I may speak on this motion. I agree generally with speakers on both sides of the house who have supported the objects of the study and have indicated the necessity and importance of getting ahead with it as quickly as possible.

It seems to me that if any useful purpose would be served it would, indeed, be a good thing to let the matter come to a vote tonight. I gather from what has been said in the debate in the 57 minutes or so up to now that there will be general support for the motion. However, in the two minutes left to me I should like to consider with the house the motion we are debating, which was put on the order paper by the hon. member for Dartmouth-Halifax East (Mr. Forrestall).

As he indicated in his remarks when introducing the motion, it was filed on September 18 and at that time the hon. member did not anticipate—I think he indicated his delight that this action had been taken—that subsequently in December of 1968 an amending agreement would be made among the two provinces concerned and the government of Canada. As a result, changes were made to the original agreement. My hon. friend of course had no way of knowing at the time he put his motion on the order paper that this would be done.

Dealing with the first part of the motion, Mr. Speaker, asking that the study be brought to a conclusion within the next 12 months, this of course is provided for in the amending agreement. I have here a copy of the agreement among the two provinces and the government of Canada. It is dated December, 1968. Paragraph 2 of the amending agreement, under a subsection called Phase II, which amends section 4 of the original agreement, provides as follows:

> The preliminary engineering design of one or more tidal schemes including preliminary marketing and transmission studies. The objective is to complete these studies by June 30, 1969.

That is in fact the objective, and hopefully it will be completed before the timetable set out by the hon. member for Dartmouth-Halifax East. I should like to read the second part of the hon. member's motion, which is as follows:

> —the feasibility study of Minas Basin tidal power and on the basis of the study make a decision to proceed, or otherwise, within six months of receiving the study.

It seems to me it would not be in the best interests of this house, or indeed of parliament, if we were to recommend to the government anything that would tie its hands in considering the study. Of course, this would be only a recommendation, but I believe that in view of the amount of time, money, the very great importance of this matter and the ramifications which flow from it—these have been very ably described by all speakers this afternoon—we would not want to tie the hands of the government as a result of this motion.

Mr. Deputy Speaker: Order, please. The hour appointed for the consideration of private members' business has now expired. I do now leave the chair and will resume the same at 8 p.m.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION

AUTHORIZATION FOR THE ESTABLISHMENT OF A DEPARTMENT OF FISHERIES AND FORESTRY, AND OTHER NEW DEPARTMENTS

The house resumed from Friday, March 21, consideration in committee of Bill C-173, respecting the organization of the government of Canada and matters relating or incidental thereto—Mr. Trudeau—Mr. Béchard in the chair.

The Deputy Chairman: House again in committee of the whole on Bill C-173. When

the committee rose on Friday clause 20 had been allowed to stand, and clause 25 was under consideration together with an amendment proposed thereto by the hon. member for Egmont.

On clause 25—*Plans for Economic Expansion.*

Mr. Marchand (Langelier): Mr. Chairman, with the unanimous consent of the committee I should like to revert to clause 24 because I found a technical mistake in the amendment moved by the hon. member for Egmont. According to the way in which the amendment was drafted, the government of Canada would consult a province on the designation of any area in Canada. In fact, this would mean that I may be consulting Nova Scotia on the designation of an area in Alberta. So, the amended clause should be corrected to read that the consultation is in relation to the designation of an area in the province with which consultations are held, not anywhere in Canada.

Therefore, if the committee has no objection, I should like to make this correction.

The Deputy Chairman: Is the committee agreed to reverting to clause 24?

Some hon. Members: Agreed.

On clause 24—*Designation of Special Areas.*

Mr. Marchand (Langelier): I will circulate copies of the amended clause which reads as follows:

The Governor in Council, after consultation with the government of any province, may by order designate as a special area, for the period set out in the order, any area in that province that is determined to require, by reason of the exceptional inadequacy of opportunities for productive employment of the people of that area or of the region of which that area is a part, special measures to facilitate economic expansion and social adjustment.

Mr. MacDonald (Egmont): That amendment is agreeable to us because it makes clear the intent of the original amendment made on Friday.

The Deputy Chairman: Is there agreement to the clause as amended?

Some hon. Members: Agreed.

Clause agreed to.

Mr. Macdonald (Rosedale): Mr. Chairman, I suggest there might be general agreement to progress being reported, following which we can arrive at an order to deal with the bill for the balance of the evening. If we had the order made now, we may be in a better position to plan our work through the course of the evening.

[The Deputy Chairman.]

Mr. Baldwin: This would be agreeable to us.

The Deputy Chairman: Shall I rise, report progress, and request leave to sit later today?

Some hon. Members: Agreed.

Progress reported.

BUSINESS OF THE HOUSE

AGREEMENT TO EXTENSION OF SITTING HOURS

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, following certain discussions I think there might be a disposition to continue the sitting of the house beyond the normal time of adjournment, that is until eleven o'clock this evening, for the purpose of putting all the remaining questions necessary to dispose of the bill. If there is such a general disposition, an order could be made to extend the sitting of the house and also another order that if the bill has not been passed sooner all questions may be put at eleven o'clock for the purpose of disposing of the bill.

Mr. Stanley Knowles (Winnipeg North Centre): We agree to that, Mr. Speaker, but we would like it understood that if we finish with the bill before ten o'clock we will call it a day.

Mr. Macdonald (Rosedale): I agree to that.

The Acting Speaker (Mr. Béchard): Is this agreed?

Some hon. Members: Agreed.

GOVERNMENT ORGANIZATION

AUTHORIZATION FOR THE ESTABLISHMENT OF A DEPARTMENT OF FISHERIES AND FORESTRY, AND OTHER NEW DEPARTMENTS

The house resumed consideration in committee of Bill C-173, respecting the organization of the government of Canada and matters relating and incidental thereto—Mr. Trudeau—Mr. Béchard in the chair.

On clause 25—*Plans for Economic Expansion.*

Mr. MacDonald (Egmont): Now that the minister and members of the government

have had the week end to consider the problem I posed with this amendment, may I remind the minister what he said to me. Although he was not happy with the way in which the amendment was drawn up, he said he could assure us that this obviously was the intent of the government in reorganizing the department and appointing him as minister. However, I think it would be necessary, in view of what I and the minister in fact have termed the failures of the government in the past to grapple adequately with problems of regional disparity in this country, to set up some clearcut machinery in the statute. This was obviously felt to be one of the important needs in the establishment of the FRED program, which was the last phase in an attempt to deal with problems of regional disparity. Although the FRED board might have been inadequate, at least it was an attempt to put into the statute some form of machinery which would in effect get beyond the separate empires or the kind of ghetto mentality that often operates in various government departments as opposed to a co-ordinated monetary and fiscal policy. If the minister is not prepared to accept this amendment, as seemed to be the case on Friday, I hope he has arrived in the chamber with some concrete alternative proposal. If he has such a proposal, I would be happy to withdraw this amendment in its favour.

• (8:10 p.m.)

Mr. Marchand (Langelier): It is clear in clause 25 of the bill that there has to be co-operation between the departments of government and the agencies involved. If we read the clause, we find it says this:

> In exercising his powers and carrying out his duties and functions under section 23, the minister shall, in co-operation with other departments, branches and agencies of the Government of Canada, formulate plans for the economic expansion and social adjustment of special areas.

This means I have no choice. If I carry out this provision I shall be bound to co-operate with all these other departments and agencies. As to the means by which I shall do so, I believe it is impossible to say at this stage. What the house appears to want—and I think it is quite right to do so—is to ensure the existence of some kind of mechanism to facilitate this kind of co-operation.

I do not know how I can carry out this provision in the absence of a structure of some kind. The only thing which embarrasses me is that the method suggested by the hon. member for Egmont does not appear to be a good one. After a week, or after a month or two, it would become evident that it would not work, and this bill would have to be amended. Some kind of structure to ensure co-operation will have to be set up, but it is not likely we shall ever be in a position to write into the law the structure to ensure that this co-operation will take place. If we fail to create this structure, it means we are not carrying out the purpose of the law and, of course, we intend to do so. It would not be wise to make compulsory the setting up of any particular structure at this moment.

Mr. MacDonald (Egmont): I find it surprising to hear the minister suggest that some formula cannot be devised at this point to ensure that co-operation is achieved. After all, this deals with one of the most long standing difficulties in the field of government administration. The problem was admitted when the FRED board was set up two years ago. So, the department has been aware of its existence for a long time.

When the minister told us that under the terms of clause 25 he was obliged to co-operate with other departments, he missed one of the points inherent in this amendment. What we are really concerned about is not that he will fail to co-operate with other ministers, but that other ministers will fail to co-operate with his department.

The hon. gentleman found it difficult to make a clear cut statement this evening. If this amendment is defeated, I wonder if he would agree to report to the house later on the nature of the mechanism which will eventually be set up to deal with this problem. It is important to the effective working of this whole program that the house be appraised in the not too distant future as to the exact nature of the machinery which the department, or the government, or the Governor in Council have devised to ensure that this basic issue of co-operation is dealt with.

Mr. Marchand (Langelier): I would have no objection, Mr. Chairman, except that if we were to set up a cabinet committee I do not believe I could give the house a list of the ministers appointed to it. This is not done in the case of existing committees.

Under the FRED plan, membership of committees and so on, and the functions of those appointed, can be made known. To this, I would have no objection.

Mr. MacDonald (Egmont): I assume that if a committee is to be effective it will have to comprise more than cabinet ministers. We are all realistic enough to know that if policy

decisions are to be carried out, the structure to be set up must include people at the senior level of government service. For this reason, I think it ought to be easy for the minister to give an assurance that he will outline the system which the government will use.

Mr. Marchand (Langelier): I should like to call attention to a statement which the hon. member made a few moments ago. He said that he and his hon. friends were afraid not so much that the minister of the new department might fail to co-operate, but that ministers representing other departments might fail to do so. The hon. member ought not to forget that the duty set out in the legislation is the duty of the government as a whole. This is a law which binds the government, so the government as a whole, the Prime Minister and the cabinet, will have to implement it.

In these circumstances, I do not think the individual departments will have a choice. As far as the organization of these matters is concerned, I see no reason why the house should not know how we are arranging for the implementation of this section, provided nothing of a confidential nature is involved.

Amendment (Mr. MacDonald (Egmont)) negatived; yeas, 12; nays, 33.

Clause agreed to.

On clause 26—*General agreements with the provinces.*

Mr. Marchand (Langelier): I indicated in my preliminary remarks, Mr. Chairman, that I intended to present an amendment to clause 26. It will be moved by my colleague the Postmaster General.

Mr. Kierans: I move:

That Bill C-173 be amended by striking out lines 24 to 30 on page 9 and substituting the following:

26(1) The Minister may, in co-operation with any province formulate a plan of economic expansion and social adjustment in a special area and, with the approval of the Governor in Council and subject to the regulations, enter into an agreement with that province for the joint carrying out of such plan.

• (8:20 p.m.)

Mr. MacDonald (Egmont): Mr. Chairman, I am very glad to see the minister introduce this amendment; I think it is a step in the right direction. Again, it emphasizes one of the points we have been concerned with in this legislation, which is that a province or provinces shall be involved at all stages in the devising of policies and programs for regional development.

[Mr. MacDonald (Egmont).]

The original clause 26(1), as may be noticed, omitted at the very important stage of formulating plans, the involvement of the province. I am very glad to see the minister and the government introduce this amendment, and I hope they may have another amendment or two in this regard as we go along.

Amendment (Mr. Kierans) agreed to.

The Deputy Chairman: Shall clause 26 as amended carry?

Mr. MacDonald (Egmont): Mr. Chairman, with regard to clause 26 (2) it seems to us that here we are faced with an even more important part of this particular clause. It struck the committee that the failure to include some provision for negotiation with the provinces prior to the ratification of an agreement by the two governments in question is quite a sizeable omission. I refer in particular to the second line of subclause (2), the subclause reading as follows:

Nothwithstanding subsection (1), detailed negotiation of any draft agreement under this section shall not be undertaken by or on behalf of the minister unless the plan to which the draft agreement relates has first been approved by the Governor in Council.

It seems to me that if sufficient discussion and conversations could not be held with the provinces before the agreement of the Governor in Council is obtained, then we are in fact greatly limiting the participation of the provinces in the devising of the actual plans that will go into effect and which have implications for the provinces.

Therefore, I am going to propose an amendment. While it may not be quite the answer that it was prior to the moving of the minister's own amendment to clause 26 (1) does close what I consider to be a very dangerous gap in this particular clause. Therefore, I move that clause 26 (2) be amended by inserting after the words "Governor in Council" the following:

—provided such agreement has been generally accepted by the participating province.

The Deputy Chairman: The hon. member for Egmont moves that clause 26 (2) be amended by adding after the words "Governor in Council" the following:

"—provided such agreement has been generally accepted by the participating province or other responsible authority."

Mr. MacDonald (Egmont): No, Mr. Chairman, I have deleted those last four words.

The Deputy Chairman: Shall the amendment carry?

Mr. Marchand (Langelier): Mr. Chairman, I do not think this amendment would serve any purpose at all. Clause 26 (1) provides that in the formulation or elaboration of any plan the government must negotiate with the province concerned; that is the substance of the clause. We have to negotiate with the provinces. The second paragraph does not relate at all to the provinces but merely provides the conditions upon which the minister himself, representing the federal government, shall negotiate an agreement which has to be authorized first of all by the Governor in Council.

I see no reason for providing that any such agreement must be accepted by the province concerned. Unless an agreement is accepted by the province, the province will not sign it. Indeed, the province itself may well have this regulation. It may well say to the responsible minister that he is not to sign any agreement with the federal government unless it is first approved by the Lieutenant Governor in Council. That would be up to the province to decide and is an internal procedure. Therefore, I do not know why the hon. member puts forward this amendment.

Provision is made for reaching an agreement in subclause (1). If an agreement is reached with a province, we would not need such an amendment. We do not want to compel a province to accept what has been negotiated. As I say, I do not see the purpose of this amendment.

Subclause (2) deals with the powers of the minister. I cannot sign an agreement unless it is first approved by the Governor in Council. That is all the subclause provides. It does not impose anything upon the provinces. Some provinces may decide that three of its ministers have to sign an agreement; it is a matter for them, not for us. That is why I think the amendment would be useless and serve no purpose.

Mr. MacDonald (Egmont): I should just like to ask one question here, one that initially raised this whole subject in my mind. The opening words of clause 26 (2) are: "Notwithstanding subsection (1)". Then, the subclause goes on to talk about detailed negotiation. The inference I draw from that, though I may be misreading this particular clause, is that it puts the province in the unhappy position really of having to buy something sight unseen. If that is not what the clause implies, I will be happy to withdraw this particular amendment.

Mr. Marchand (Langelier): Since provision is made for consultation with the provinces, I see no point in the amendment because it does not add anything. I think it would only confuse.

The Deputy Chairman: Is it agreed that the hon. member has leave to withdraw his amendment?

Some hon. Members: Agreed.

Amendment (Mr. MacDonald, Egmont) withdrawn.

The Deputy Chairman: Shall clause 26 as amended carry?

Mr. MacDonald (Egmont): I have one other question on clause 26 (3) (c) which refers to Canada and a province procuring the incorporation of one or more agencies. I am wondering whether there is provision in this particular clause for the establishment by the government of Canada and one or more province of an incorporated body. In other words, if I may use this as an example, is it possible for an incorporated body to be set up by the government of Canada and, say, three or four provinces in the Atlantic area?

Mr. Marchand (Langelier): Yes. Well, not under 26.

Mr. MacDonald (Egmont): Where then?

Mr. Marchand (Langelier): Does the hon. member have in mind the setting up of a corporation like Devco, for example, in Nova Scotia?

Mr. MacDonald (Egmont): No, I am thinking of an incorporated body that might be set up in conjunction with government of Prince Edward Island to administer the comprehensive development plan in that area. Is it possible that as the department moves in and devises plans, there may be plans that relate to more than one province and some kind of incorporated agency may be required in which both the federal government and the provincial governments must participate.

• (8:30 p.m.)

Mr. Marchand (Langelier): I think there is provision in the bill, Mr. Chairman, for the setting up in any province a corporation similar to the Devco Corporation of Nova Scotia.

As far as other councils or bodies are concerned, the province and the federal government may set up such bodies under an agreement, as was the case with the Prince Edward Island agency. We can already do that. We do not need any addition to the law to permit us to set up that type of agency. As I say, we did that with the Prince Edward Island plan. We have comparable structures in the lower St. Lawrence agreement where we have, *de facto*, recognized the local council as the regional economic council. I think we have sufficient powers and we do not need anything else in the law.

Mr. MacDonald (Egmont): Mr. Chairman, I do not think the minister is getting my point. It is not difficult to comtemplate that under the kinds of structures which have been devised to date affecting the government of Canada and one province specifically, other provinces may wish to participate in some form of incorporated body set up under clause 26(3)(c). At present it seems that participation with respect to such incorporated body is limited to one province, but I submit it would be more desirable if two or three provinces participated with the federal government.

Mr. Marchand (Langelier): No.

Mr. MacDonald (Egmont): As the minister knows, I am prepared to move an amendment adding the words in the fourth line from the end of the subclause "or provinces". I think that such an amendment would give greater flexibility.

Mr. Marchand (Langelier): I have seen the amendment, Mr. Chairman. The law officers of the Crown inform us that when we use the word "province" in the singular, that also includes provinces in the plural.

The Deputy Chairman: Shall clause 26 as amended carry?

Some hon. Members: Agreed.

Clause 26 as amended carried.

Clause 27 and 28 carried.

On clause 29—*Council established.*

Mr. MacDonald (Egmont): Mr. Chairman, this clause attempts to deal with the scant remaining bones of the Atlantic Development Board. One wonders why the government introduced this clause, because the Atlantic Development Board seems to have been stripped of a great deal of authority. Under this clause, a group of men is to meet once or twice a year, in Ottawa presumably; they may offer advice to the minister which he may accept if it is worth his while to, and that about sums up their activities. Introducing this clause will, in retrospect I think, turn out to be a mistake. Since the early 1960's we have attempted, in trying to deal with regions suffering from economic disparity, to develop some kind of instrument to bring about effective co-operation between the provinces, the federal authority, local bodies and municipal bodies. Hon. members in all parties of this house applauded the idea of the Atlantic Development Board dealing with these problems. It is therefore ironic that the party that was in power in 1963—that is the party in power today—and which decided the Atlantic Development Board needed more power, more independence, and more opportunity to take the kinds of action it has been taking since 1962, has decided in 1969 it was wrong. Today we have a complete about face. Actually, the government is saying, "We do not need the Board anymore. We will not kill the child completely but keep its ghost alive." That is tragic and the minister will discover, when he is dealing with some of the problems in which the Board was involved, that a major mistake has been made in downgrading the Atlantic Development Board.

In that connection, may I suggest an amendment to clause 29. I feel there must be some consistency in this bill. All regions ought to have an equal opportunity to become involved in regional economic expansion and to participate in expansion programs. If the concept of the kind of council represented by an Atlantic development council is valid, I suggest there is equal validity for establishing similar councils to deal with the problems, say, of parts of Quebec, northern Ontario or parts of the west. Considering where the minister's home is, I am surprised that he has denied other regions the opportunity of being served by the kind of council we envisage here. I therefore suggest, Mr. Chairman, the addition of subclause 2 to clause 29, which would read as follows:

> The Minister shall, in consultation with the province or provinces concerned and such other persons or organizations as the Minister or the province or provinces consider appropriate, establish similar development councils for other regions.

[*Translation*]

Mr. Marchand (Langelier): Mr. Chairman, I have to oppose this amendment because I question the reasons behind it.

It may seem odd indeed, Mr. Chairman, that the law should provide a special board for the Maritimes while we provide none for the rest of Canada. The reason is that this area is a special problem. Besides, the Atlantic Development Board we had before was of great help. Since the structures were there and the four provinces had problems in common, we felt it was not in the interest of the Maritimes to dispense entirely with this Board.

Now, since the four provinces involved have accepted the Atlantic Development Board, we take it for granted that it should be included as a council in the new legislation.

But we cannot predict, Mr. Chairman, what kind of council will be acceptable to the other provinces and what will be the structure of these councils which we do not know yet.

For example, will it be sufficient to have a council like the others to meet the needs of the lower St. Lawrence, of the Interlake area of Manitoba? Nobody can tell. However, in the case of the Atlantic provinces we know exactly how the agency did function. We know its structures and certain voluntary organizations have supported the Atlantic Development Board. This is why its establishment is provided in the legislation but nothing prevents us from acknowledging a council that would be formed especially for the lower St. Lawrence and nothing will prevent us, later on, to adopt a special legislation purporting to give legal status to a council whose structure and jurisdiction cannot be predicted to-day.

Now, when we say that we have downgraded the Atlantic Development Board, its particular role should obviously be emphasized, not because of the Atlantic Board but because of the new department of Regional economic expansion whose aim is precisely to coordinate all these activities.

I think that it is the honourable leader of the opposition (Mr. Stanfield) who said, in his brief: there is not enough coordination in all the efforts towards an adequate regional expansion, but I would answer that it is the very rationale of this new department. So, it is certain that if we aim at coordination we cannot have, within the department, Mr. Chairman, three, four or five semi-independent bodies which will ensure regional planning outside the Department. It would be running counter to our very intentions.

It is not that we are dissatisfied with the Atlantic Development Board. On the contrary, we will be happy to use the work it has accomplished because we wish precisely to ensure not the centralization, but the co-ordination of all the department's activities related to regional development.

Now this new Atlantic Development Council will not have a greater executive power than the former one, because we are taking away from it a great part of that power. On the other hand, it will be able to advise the minister and his department on all matters under its jurisdiction. Indeed, it will be able to give advice not only on basic policies in the Maritime provinces but also on ARDA, FRED and all other programs related to the industrial incentive agency. This will give the new Council an overall view of the problems in the Maritime provinces as well as a certain responsibility.

However, as regards the executive power that Board had, we cannot maintain it, Mr. Chairman, unless we accept not to ensure real co-ordination.

That is why, that Atlantic Board is a council of a special type with a history. It was an extremely valuable experience, and we wish people who participated in that Board's activities to take part as much as possible in the activities of the new council. That is why we can sanction its creation through a provision in the legislation even if we are not able at the present time to provide exactly for the type of agencies other provinces will want to establish, in order to implement our programs.

It must be remembered that we consulted the premiers of the four provinces concerned. They agreed not only on the appointment of Mr. Smith but also on the maintenance of a body for the Maritime provinces.

As regards the other provinces, Mr. Chairman, we are not sure. Some of them may say: we will have nothing to do with such councils or, if we want one, it should not be similar to the Atlantic Development Council.

Mr. Chairman, that is why, on the one hand, we created this council that will succeed the Atlantic Development Board, but on the other hand, we are not going further now, not before we have had the opportunity of discussing the matter with the provinces and of making certain experiments.

• (8:40 p.m.)

[*English*]

Mr. Stanfield: Mr. Chairman, I do not wish to prolong the discussion because it is clear the government has made up its mind what to do with the Atlantic Development Board. It has the troops to do what it wants. I hope that in four or five years' time the government of that day is not going to decide the government of this day was as wrong in several respects as the government this day is saying the government was in 1963. The government is now rejecting, pulling out root and branch almost, the very basis of the concept of regional development in the Atlantic provinces which the government launched with great fanfare in 1963 when it established the Atlantic Development Board as an administrative agency. The government of the present day is saying that was a mistake.

The government of that day was also against the concept of growth centres. Indeed, it adopted policies which did not encourage growth centres to grow, but directly worked against growth centres in the Atlantic provinces. I am not sure of the basis of confidence of the minister that he is so right now. I agree with him with regard to the growth centres, but I disagree with regard to the emasculation of the Atlantic Development Board. I find it a little difficult to understand why the government is so confident when the minister concedes that his department has not really worked out its policies. It will take some time to work out these policies. In other words, Mr. Chairman, we are being asked to take this on faith.

I do not want to take up the time of the house because the government has obviously made up its mind. Anything I say or have said obviously is not going to have any effect. At least, my words as to how the Atlantic Development Council should be established have not had any effect.

I hope, Mr. Chairman, it will not be necessary for a government five years hence to decide that the government today was just as wrong as they are saying the government was five years ago. I hope we do not lose four or five years more time in eliminating regional disparity as we apparently have during the past four or five years, not just on the basis of statistics, but on the basis of the judgment of the present government as to the policy decisions made by the government in 1963 and 1964.

[Mr. Marchand (Langelier).]

Mr. Skoberg: Mr. Chairman, it appears to me that the amendment being proposed is certainly in order at this particular time. It seems strange indeed that the minister would object to changing the wording of the clause to include this amendment. It is very apparent the Atlantic Development Council will continue to serve a useful purpose, as it has in the past.

I can assure the minister, Mr. Chairman, if the wheat economy of the west remains as it is today, there could well be a need for a prairie development council. There could also be a Pacific development council if the situation warranted it in that particular area.

I do not understand why the minister objects to the adding of this particular amendment to this clause. It is permissive to the extent that the provinces would have to consult with the federal government and the minister. It does not say "that they will establish". It states, "they shall in consultation with the provinces if they so desire". I certainly believe that at this time specific words should be put into this bill which would be of benefit to all concerned.

If the amendment demanded that the government establish other development councils at this time, I would not support it. The amendment does not make any demands upon the government whatsoever. I see no reason why this amendment cannot be approved at this time.

[*Translation*]

Mr. Fortin: Mr. Chairman, as for us, we support the amendment proposed to clause 29, the object of which is to guarantee to the house, by including it in the statute, that there is close co-operation between the federal government and the provinces concerned with regard to the various programs or particular plans which might be implemented to promote the expansion or development of an area.

Our reason for supporting this amendment, which we find most acceptable and logical, is very simple. We already have a constitution, the British North America Act which delineates, very evasively, very vaguely, the powers of the provinces and the federal government. We are aware of the problems the evasiveness in the constitution leads to between the provinces and the federal government; in many cases, the powers are not defined.

The same could be said about many other fields where provincial and federal jurisdictions overlap.

I noticed that during the debate on several occasions the minister repeated that it was of the utmost importance that there be close co-operation between the federal government and the province or provinces concerned in the preparation of such programs as might meet their needs, instead of always imposing plans or rataplans upon them. As for us, that is what we fear.

For instance, we recently had an example when a federal park was created in the Gaspe area. Quite a few things are going on which lead us to believe that conflicts of jurisdiction will crop up between the provinces and federal government. What results shall we get if the programs cannot be implemented. Indeed, if the provinces cannot participate in the drawing of those programs, millions of dollars will have been spent which will bring nothing in return to the Canadian people.

It might therefore be most advisable to add a provision to the act ensuring that before planning, before drumming up our plans the provinces will consulted and everything will be done hand in hand, jointly, by the two levels of government.

• (8:50 p.m.)

[*English*]

Mr. McGrath: Mr. Chairman, I should like to ask a few questions on this clause before it passes. In doing so, however, I should like to re-echo the sentiments of my leader and, in fact, lament the passing of the Atlantic Development Board. In my view, the board did an excellent job in the development of the Atlantic provinces. I know there are a number of very important projects indeed in the Atlantic provinces which probably would not have materialized today had it not been for the good work of the Atlantic Development Board. I can think of a number of very important projects which were undertaken because of the initiative of the board in my own province of Newfoundland.

I am particularly concerned about some of the urgent matters the board had under consideration, because experience has proven that when these councils are set up under legislative authority there seems to be quite a period of time when the new department is getting established. I am wondering what will become of the really urgent problems in which the Atlantic Development Board was heavily involved and with which it was trying to cope. I think now particularly of a very pressing situation in my own constituency with regard to the former mining town of Bell Island. I know this matter has been dealt with rather thoroughly in the committee and that questions were put to the minister the other day in the course of the introduction of his estimates. The committee on regional development as well heard a delegation from Bell Island which was here to plead with the government for some immediate action to solve the problems that existed on this island and in this community as a result of the rather abrupt phasing out in 1966 of the iron ore mines on the island. These mines were operated for a number of years by Dosco and prior to that by the predecessors of Dosco for a period in excess of 65 to 70 years.

The problem is an urgent one in that today in this community there are almost 7,000 people without employment opportunities. I regret to say that the majority of them depend on relief measures of one kind or another. Of course, the consequences of continued relief to the people in this community are morally crippling. Very often this means there will be a serious problem involved in rehabilitating the people and getting them to be self-sufficient again. The Atlantic Development Board was very heavily involved in this matter. In consultation with the government of Newfoundland, the board devised a plan whereby people would be encouraged to leave because the government would pay for the homes of those people who were prepared to leave. Each resident was entitled to sell his home for $1500. The idea of course was to get the working force to leave the island.

The Atlantic Development Board and its well-qualified general director, Dr. Weeks, who I am pleased to see has an important role in the new department, would be the first to admit this plan did not succeed. The objective was to get the working force to move elsewhere. Today there are almost 7,000 people living there. My worry is, during the interim period while this new department is undergoing its growing pains, while the Atlantic Development Board is going out of existence and while the government is considering new appointments to the Atlantic Development Council, what will become of the urgent situation which exists on Bell Island. I hope the minister will be able to assure the house that these matters will not be swept under the administrative table and will be given the urgent consideration they deserve. I hope also he will assure us that the department, in the interim period, will continue to treat these urgent matters with the same

amount of concern with which they were treated by the Atlantic Development Board.

That is my main worry. There are other areas as well which perhaps have pressing problems, but certainly no more important than those which exist on Bell Island. The minister knows this. He knows the matter has been mentioned before on a number of occasions. As I have already stated the matter has been studied by the committee. I hope before this session ends, the minister will give us an assurance that these urgent problems will continue to receive consideration during the interim period while the new department is being set up.

Mr. Marchand (Langelier): I think I can give that assurance to the hon. member for St. John's East right away. We have already in the department all the recommendations of the Atlantic Development Board. That does not mean we will necessarily agree to them all. However, this is not new. In the past they had to be approved by treasury board and the department. We will consider all of them, however, and there will be no delay between the passing of this bill and the disappearance of the old Atlantic Development Board.

We will have more power under this bill than the Atlantic Development Board had or even the department had, because we can spend on the infra-structure after agreement with the province. We will take into consideration immediately all the plans that were in existence and with which the Atlantic Development Board was dealing. So, I can give the assurance to the hon. gentleman that we do not intend to wait until an agreement is signed before dealing with the problem that has been transmitted by the board.

Now, the hon. member for Egmont said the law provides that this council will sit only two times a year. Under the old law it was provided that the Atlantic Development Board must sit at least once. The fact that the new council must sit at least twice does not mean that it must sit only twice. It has to sit at least two times, but it can sit more than that. It may sit twice a month or as many times as it desires.

I am sure the council will sit much more often than two times. The hon. Leader of the Opposition mentioned that a mistake was made in 1963. I do not know whether it was a mistake. I was not a part of that decision and therefore would not attempt to make an assessment in respect of the responsibility for that decision. Knowing what I know now, I do not believe it was necessarily a mistake because at that time there was no department with responsibility for economic expansion. No department was responsible for regional development. We are creating a new set-up and it is quite normal that we revise the old structures which were in existence.

• (9:00 p.m.)

Maybe the government was justified in doing it that way at that time. I will not make a fight on that. I am not ready, either, to say that what we are doing now will be good forever; that it is the eternal truth and that we will never need to change it. It may be that in a few years we will agree to change what we are doing today if it does not work out the way we think it should.

[*Translation*]

Mr. Chairman, I am rather surprised at the stand taken by the hon. member for Lotbinière (Mr. Fortin) because the amendment is quite the opposite of what he wishes.

If you read the amendment carefully, you see that the federal government must—I only have here the English version—"that the minister shall"—in consultation with the provinces and so on, establish or set up a council. This is an infringement upon the freedom of the provinces which are not mentioned in the legislation.

What we are saying under the legislation to the province of Quebec or the province of Manitoba or Saskatchewan, is this: you have to accept a council. This is precisely because we respect that freedom, that provincial autonomy that we do not want to do what was done with the Atlantic Council. In that case it is a fact, it has been accepted and we can put it in the statutes. But for the other provinces, it is precisely the opposite that would happen, if the amendment were passed.

We want to remain perfectly free to negotiate with the provinces.

For instance the province of Quebec can consider the matter, then state that it is not interested in a council similar to that of the Atlantic areas. If we accepted the amendment, then we would have to tell the Quebec authorities: this is the council, and the law says that you have to accept it as it is. Besides, the council should be similar as provided in the legislation, and I quote:

[*English*]

It must establish similar development councils for other regions.

[*Translation*]

The hon. member was anxious lest we should threaten the freedom or the autonomy of the provinces, but that is precisely what he is doing by supporting the amendment of the opposition.

As for me, I want us to be able to discuss with each and every province, to try and find the best way of co-operating. If a new council has to be set up, after we had experienced it for some time, here in the house maybe we would agree, to give it a legal status or to indicate in the law which councils should be set up so as to achieve the purposes of the law.

Mr. Fortin: Mr. Chairman, I appreciate the comments of the hon. minister and all the trouble he took to express his views. I think it is already something to be thankful for when ministers take the trouble of explaining the situation to us.

However, we are afraid that the proposed amendment will not achieve very much. In any case the Conservatives have never achieved much in the past, and I do not think that their amendment will work marvels either.

It is persistently being said that this legislation is a minor one, but the fact remains that we want the best possible guarantee that there will not be any overlapping of jurisdictions between the provinces and the federal government with respect to regional development, for this legislation does not seem to be too promising if both sides start being stubborn once again, as the minister said last week.

Actually, if the federal government were to act one way and the provinces another and then a council is established and an agreement is reached, or if the federal government were to establish a council and the provinces were to establish another one in turn, with discussions taking place for three days and then each side going its own way, I think the minister himself would be the first to be disappointed, because he would not have attained his goal.

All we wish, Mr. Chairman, and I remind the minister of it—is to get the best possible guarantee that the needs of Canadians will be taken care of and that regional development will not be just empty words, but a reality.

[*English*]

Mr. MacDonald (Egmont): Mr. Chairman, if one were trying to sum up the first and second messages of the minister with regard to this clause one could do so in three words, "Ottawa knows best." The impact of such a statement must be felt in areas that have greatly suffered at the hands of the federal government which in times past has devised policies in direct contradiction to the condition of those areas. It is queer that on the one hand the minister should say that this is being put in the legislation because in the past we had the Atlantic Development Board, which contributed something. Now, we are going to have less than we had before, and on the other hand, the minister justifies this by saying we are going to have a whole department charged with this responsibility.

However, there is something dangerous behind the argument that Ottawa knows best. Somebody suggests, "Uncle Ottawa knows best." That is not the kind of uncle with whom I would want to be associated. I find it really incredible that the minister and the government would urge this idea in view of the recent conference in the Confederation Room in the West Block, at which one of the main issues discussed was the need for some kind of meaningful consultation and co-operation with the provinces. If there were certain weaknesses in the Atlantic Development Board it may have been that it was not an agency which formed a bridge between what the provinces were devising and the initiatives that were open to the federal government. But now that bridge is being eliminated to the point where it will carry no meaningful traffic.

It is also passing queer that the minister would want to engage in the kind of discussion he has had with the hon. member for Lotbinière. I know that they are both from the same province, and perhaps they are working the same side of the street. I am surprised that the minister has not received a number of communications from the provinces resenting the fact that nothing but a council will be established under the terms of this legislation.

Mr. Marchand (Langelier): You are surprised?

Mr. MacDonald (Egmont): Yes, I am. Our communications system cannot be as good as it should be, because it strikes me that a number of the provinces should be disturbed about the fact that once the Atlantic Development Board goes there will be a transfer of decision making to Ottawa, away from the Atlantic region. There will be an elimination of a similar kind of participation for other areas very much in need of participating

effectively in programs of economic expansion. I would think that people in those parts of Quebec that are going to be affected by this program would resent the fact that no provision is made in this legislation for that kind of participation. I think the same will apply to areas in Northern Ontario.

The minister has referred to programs that will be devised and planned for the Indian and Metis people of western Canada, but again under the terms of this legislation there is no provision for an equitable kind of participation by those people. I do not think the legislation is at all restrictive or even mandatory. It is permissive legislation, and that should certainly suit the government. I am really quite surprised that the minister finds this suggested amendment unacceptable in terms of achieving the aims which the government is trying to spell out in the establishment of this department. I am not going to say anything further on this at the moment, but I think this suggestion would offer the minister more flexibility and not less.

Clause agreed to.

On clause 30—*Constitution of membership.*

Mr. McGrath: Can the minister say what is meant by, "after consultation with—such other persons or organizations as the minister considers appropriate"? Can he give the chamber an assurance that political partisan considerations are not what are meant by this phrase, and that the only consideration will be the people who can do the best job for the region? I see no reason for having these words in there. Why not just confine it to the governments of the provinces?

• (9:10 p.m.)

Mr. Marchand (Langelier): Mr. Chairman, I thank the hon. gentleman for raising that point. I thought he would congratulate the government for having introduced this obligation to consult with the provinces. This obligation did not exist before in the law; it is new. But I think it is normal that we consult with the provinces.

What does the other sentence mean exactly? It means that in certain regions, and maybe in the Atlantic region, you have some very important organizations that are not governmental organizations but which are probably organizations that deserve to be consulted. I am thinking of APEC, for example, in the maritimes. This is a private organization, and I think it would be worth while to consult with it. This is the reason the provision was included in the bill. It was not included in order to consult with the Liberal association of the riding.

Mr. McGrath: That will happen.

[*Translation*]

Mr. Fortin: Mr. Chairman, in answer to the hon. member who had asked him what he meant by such other person or organization, the minister explained what he meant by organization. May I ask him the same question with regard to "such other person"?

Mr. Marchand (Langelier): It is simply, Mr. Chairman, that organizations are not the whole answer. Consultations may sometimes take place with some very important persons who play an important part in a particular region, and not necessarily at the political level. We want consultations to be as broad as possible.

In certain regions of the province of Quebec, some people, as the house knows, play a very important part, and we want to be free to consult them before creating the board.

Mr. Fortin: Mr. Chairman, does this mean that, as far as Quebec and more particularly the Eastern Townships are concerned, the minister would consult with hon. members of the Ralliement Créditiste?

Mr. Marchand (Langelier): Mr. Chairman, I do not need any provisions in the act to force me to do so. If some hon. members of the Ralliement Créditiste truly represent the opinion of the population as a whole, I shall be glad to ask for their advice.

[*English*]

The Deputy Chairman: Shall clause 30 carry?

Clause 30 agreed to.

On clause 31—*Function of Council.*

Mr. MacDonald (Egmont): Mr. Chairman, it would be useful, but I will not take the time to do so, to compare the functions of the Atlantic Development Council with the soon to be lamented Atlantic Development Board. The interpretation of the responsibilities of this Council is extremely narrow and is, in fact, limited only to suggestions in certain circumstances, which it might offer to the minister for the carrying out of his responsibilities. I will not repeat all the arguments that have been put forward about how this

really waters down the functions of the council almost to the point of non-existence.

However, Mr. Chairman, I would like to put forward a couple of amendments. In order to have both of them before us before completing our consideration of clause 31, I will put them both at the same time. In this way the committee may get the sense of what I feel is important here in respect of some of the responsibilities, at least, to be exercised by the Atlantic Development Council. To clause 31 we propose the addition of new clause (c), to read as follows:

(c) appropriate opportunities for the co-ordination of policies and programs of the government of Canada, the provinces and other responsible bodies.

Subclause (c) would now become subclause (d) and would have the following words added:

or as in the opinion of the Council should be considered by it.

The sense of these two amendments is this. In the original subclauses (a), (b) and (c) the council is asked to make reports and recommendations to the minister on plans, programs and proposals, and the feasibility of particular programs. I think this is all well and good, and I do not think anyone can disagree with the sense of what this clause sets out in terms of what the responsibilities of the council should be. But I think we are getting into an area not covered by this legislation, that is, providing some opportunity for effective co-ordination of the various programs being attempted by the federal government, the provinces, major regions or municipalities.

It seems rather strange that this principle should be omitted, because in fact a great deal of energy has been wasted because contradictory programs have been operated by the federal government. This practice should now be eliminated, because the minister has told us so, with regard to programs operated by the federal government or the provinces. It would, therefore, seem very necessary that there be in the legislation some direct commission to this Council so that it will at all times consider how the various policies and programs being devised by one or other of the respective parties will mesh; and where they are not going to mesh, to say so. Unfortunately, the Council will be limited to saying this to the minister in the hope that he or his officials will communicate with other federal departments, perhaps other provinces or responsible bodies, in order to arrive at the best possible program.

Without some responsibility for considering the question of co-ordination, a great deal of useful effort and initiative that might be taken by the council will surely be lost. The sense of the last amendment is merely to give the council some flexibility in its operations. If it were limited to the terms spelled out in this clause, we would restrict very largely, in its setting up and operations, the relationship of the council to the government of Canada, when surely it should not be restricted from considering very many items on its agenda which it considers important.

If the minister is as busy as I know he will be, and should be, in his function as minister responsible for this department, he will not always have time to refer matters to the council for consideration. If the council is given an opportunity to meet with regularity and to have support staff, it will be vitally important that there be provision in this bill that the council be enabled even occasionally to discuss questions or look into matters that under normal circumstances would be covered by their interest but would not be covered by the way in which the criteria are elaborated in this clause as it stands.

For these reasons, I think the amendments are important. If they are adopted, even if the Atlantic Development Council is to be much less a creature than the Atlantic Development Board, it will not be limited in its basic terms of reference in the kind of questions it must pursue if it is to carry out the kind of job necessary to any re-tailored structure.

Mr. Marchand (Langelier): Mr. Chairman, I agree entirely in principle with all the hon. member has said, but I think it is all there in the bill as it is. What are the responsibilities and duties of the minister? They are to elaborate plans, to ensure that there is co-ordination with the departments, to negotiate with the provinces, to approve projects, to consult with the provinces with regard to the functions of the Council, and so forth. These are the duties of the minister. The responsibility of the council is to give advice to the minister on all the matters within his jurisdiction. What do you want to add to that? I think it is all in clause 31, which reads:

—and make reports and recommendations to the minister on,

(a) plans, programs and proposals for fostering the economic expansion and social adjustment of the Atlantic region;

• (9:20 p.m.)

(b) the feasibility of particular programs and projects and the contribution those programs and projects will make to the economic expansion and social adjustment of the Atlantic region; and

(c) such other matters, relating to the duties and functions of the Minister under this Part in respect of the Atlantic region, as the Minister may refer to the Council for its consideration.

This means that the council will advise the minister on all those subjects. His duty will be to ensure that there is collaboration and co-operation, while the council will provide him with advice.

My next comment is on the amendment proposed by the hon. member for Egmont which reads:

—or as in the opinion of the council should be considered by it.

That would give the council wider jurisdiction than that of the minister, and this is not acceptable. I do not think the council can give advice on such things as permits to be granted to Canadian Pacific Airlines between Vancouver and Tokyo, for instance. This is not within its jurisdiction. I think the responsibility of the council must be more limited than that of the minister. So, even though I agree with all that the hon. gentleman said, I do not think his amendment is necessary. If we implement the law as it should be implemented, I do not think the hon. gentleman will have any grievance.

Mr. Marshall: I should like to ask the minister a fundamental question having to do with the municipal or community councils. In submitting a project, through what channels would they have to go to have the project considered? Would they have to go to the Atlantic Economic Council or to the province?

Mr. Marchand (Langelier): Of course, their project could be studied by the council. However, we would have to have an agreement with the provinces if they were to consult what we call the infra-structure of the municipalities. We would have to have some agreement with the provinces and negotiate with them what course should be taken by the councils. I do not think there is anything in the law which would prevent them from doing it one way or another.

Mr. Bell: How about regional desks?

Mr. McGrath: Would the minister advise the committee on whether a budget will be appropriated to the council under the departmental estimates to provide for staff to perform the administrative functions of the council, and if not, will somebody within the department be assigned to carry on the executive functions of the people who now form the executive staff of the Atlantic Development Board?

Mr. Marchand (Langelier): The law makes provision for a small staff which would be at the service of the council. The council will not have a research staff such as the old Atlantic Development Board had. All the executive functions will be assumed by the department. However, I think the council will need a staff to carry on their work, to help them at their meetings and with their recommendations to the department.

Mr. McGrath: I have a question for clarification, Mr. Chairman. Will the staff be separate from the department and will it function under the authority of the chairman of the council, or will it be staffed from within the department?

Mr. Marchand (Langelier): They will be *de facto* under the authority of the council but they will be integrated in the civil service and will be under the general jurisdiction of the department. However, let me point out that we are referring here to a stenographer and one or two secretaries. I think it would be preferable for this staff to be in the civil service.

Mr. McGrath: I referred to senior personnel, the executive staff. We realize the council would have to have stenographic and secretarial staff, but I meant personnel who would be considered to be at the executive level.

Mr. Marchand (Langelier): I think it should be made perfectly clear that it is no longer necessary for the board to have this type of staff. The department will be happy to provide them with the executive staff they need for a short period of time. However, this staff would be under the jurisdiction of the department. Otherwise, we would be rebuilding the old Atlantic Development Board, which is not the intention of this legislation.

Mr. McCleave: May I ask the minister how much time the chairman and the vice-chairman of the council have indicated they will make available for the performance of their duties?

Mr. Marchand (Langelier): I cannot answer this question. We have not communicated with the chairman. The vice-chairman has not yet been nominated, so it is difficult to say how much time he will devote to his duties. So far as Mr. Smith is concerned, we have not put the question to him but he accepted the duties which are outlined in the legislation. I do not know how much time he is prepared to devote to this work.

Mr. McCleave: I understand Mr. Smith is leaving his position at the University of New Brunswick, probably in anticipation of spending a great deal of time on work for the council.

Mr. Marchand (Langelier): I cannot give the hon. member an answer to his question. If Mr. Smith resigned for the purpose of giving much of his time to the council, I will be very satisfied, but I was not made aware of this fact.

Mr. McCleave: I hope he will be paid accordingly.

Mr. MacDonald (Egmont): I am glad to learn that the minister agrees with at least the intent of the amendment, even though he does not agree with its necessity or substance. One of the things that has disturbed me that has not been referred to in the discussion, and which I might raise as a result of questions put by the hon. member for St. John's East, relates to the important studies that are being prepared and printed by the Atlantic Development Board. The third one has just been printed, or will be very shortly. I understand there were a dozen of them at one time or another and the board has been working on them for some years.

I think that one of the great losses, together with other things on the demise of the Atlantic Development Board, would be the failure to complete these particular studies. Would the minister indicate what procedure has been devised or what machinery has been brought into effect to make sure that these studies are completed within a reasonable period of time?

Mr. Marchand (Langelier): I do not think anything will be lost. So far as the completed studies are concerned, we will look into them, and we will be happy to implement all those recommendations that we think should be implemented. If there are any studies which have not been completed and we think should be completed, we will be happy to do it directly through the department. We certainly do not intend to lose any of the work done by the Atlantic Development Board.

Mr. MacDonald (Egmont): You have already done that.

Clause agreed to.

Clauses 32 to 35 inclusive agreed to.

On clause 36—*Meetings.*

[*Translation*]

Mr. Isabelle: Mr. Chairman, I find clause 36 reads as follows:

> The Council shall meet at least twice a year at such place in the Atlantic region as the Council considers appropriate or in the City of Ottawa,—

Since during the study of the bill, several departments accepted, in the framework of the reorganization, to replace the word "Ottawa" by "national capital area", and since the expression is defined in the schedule to the National Capital Act, I ask whether the hon. minister is willing to take this into consideration or whether we shall be obliged one of these days, to amend the legislation once again?

Mr. Marchand (Langelier): The hon. member is quite right in his remark. However, a great number of statutes would have to be amended, if we consider the national capital area as that of Hull-Ottawa. When federal buildings are built in Hull, it could be legal to meet in Hull as well as in Ottawa. At that time, perhaps it would be advisable to amend all statutes which mention the city of Ottawa, but I do not think it is necessary right now.

Mr. Fortin: Mr. Chairman, could the minister give us at least the guarantee, when he says it is not necessary to do so now and that it could and will be done later, that it will not be put off indefinitely?

Mr. Marchand (Langelier): Mr. Chairman, it will not be put off indefinitely, because everyone knows that we are now considering the problems of the national capital.

When we consider the estimates, there will undoubtedly be a discussion on what constitutes the national capital area and then, we shall all have the opportunity to state our views. It will be the best opportunity to correct what we want to correct.

• (9:30 p.m.)

[*English*]

Clause agreed to.

Clause 37 agreed to.

On clause 38—*Staff*

Mr. McGrath: Before this clause carries, would the minister tell the committee what salary the government has in mind for the official who is to be designated as secretary to the council?

Mr. Marchand (Langelier): Unfortunately, I cannot. Perhaps tomorrow or some other day, I can indicate the salary range. I referred a few minutes ago to a secretary, but I believe the council will have the services of a senior executive officer. I do not know what the salary will be, but I shall be happy to give the information to the hon. member as soon as I am able to do so.

Mr. McGrath: This brings up an interesting question. I understand the Director General of the Atlantic Development Board is now the assistant deputy minister of the department. Will Dr. Weeks have any particular responsibilities with regard to the operations of the council?

Mr. Marchand (Langelier): He will surely have a general responsibility as assistant deputy minister. In fact, I think Dr. Weeks will always have a special responsibility as far as the maritimes are concerned because he knows the region very well. I know he is well regarded in the region, and rightly so, and I think it is our intention to use his services as much as we can.

Some hon. Members: Hear, hear.

Mr. MacDonald (Egmont): Will the minister indicate whether the position of secretary will be full time or whether it is to be considered only a part time responsibility?

Mr. Marchand (Langelier): I see it as a full time position.

Clause agreed to.

On clause 39—*Regulations*

Mr. Horner: I have remained silent throughout the most controversial parts of this piece of legislation.

Some hon. Members: Hear, hear.

Mr. Horner: I have remained silent for a number of reasons. First, I wanted to learn the exact intent of the legislation. Second, I wanted to hear evidence which would prove to me beyond a shadow of a doubt that my fears with regard to this bill were groundless. I can only say that having sat through a good deal of this debate, and having read those parts of it which took place during my absence, many of those fears have still to be set at rest.

Clause 39, which we are now considering, says the Governor in Council may make regulations defining the expression "work or facility for the economic expansion of a special area." Mr. Chairman, I live in the province of Alberta where there are two special areas. They have existed ever since 1935. Since that time parliament has passed legislation dealing with designated areas, specific areas in need of development, yet the areas of which I speak, singled out as special areas as far back as 1935, have not been able to qualify for one reason or another for the benefits provided under the legislation. There has been a great deal of discussion about FRED, ARDA and APEC. ARDA was held out to the special areas of Alberta as being the answer to the whole problem. Now, we find ARDA and the Prairie Farm Rehabilitation Act, which has been of tremendous benefit to the region concerned, gobbled up by this powerful minister who is to be in charge of everything to do with special areas.

I want the hon. gentleman to take a special look at the areas designated in the Province of Alberta since 1935. These are areas where there is a high birthrate and long life expectancy, areas which satisfy many of the criteria outlined under the ARDA scheme, but where there is a slow rate of growth and few opportunities for productive employment. These areas might well be described as the desert of Alberta. Many hon. members will be surprised to learn this. Special area No. 2 was designated because of the arid conditions which exist there. As long ago as the early 'twenties, the federal government paid the fares of settlers moving out because there was no opportunity to find employment there. Settlers were moved out from 1921 to 1939; the area of which I speak is roughly rectangular in shape, about 100 miles by 180 miles in the east central part of Alberta between Calgary and the Saskatchewan border, well within the Palliser triangle. P.F.R.A. has played a prominent part in helping people to live in this region.

Development in these two special areas has fallen behind. Now, we are giving this benevolent god, one might say, who is going to bring about great regional development, extensive powers under the proposed legislation. I have grave doubts about even his great capacity for promoting such development. In fact, I have grave doubts about the ability of

the government to do anything which benefits individuals. Having been around here for 11 years, I suspect that government only does those things which benefit government. Here is a huge land mass in the province of Alberta, a wealthy province in the eyes of the federal government, one which does not receive equalization payments. Here is a large area which fully qualifies to be a special area under the terms of clause 39. Indeed, it is already named as a special area. There is not a municipal government in the whole region of which I speak. The ratepayers cannot vote for a reeve or for councillors. Since it has been designated as a special area, the government of Alberta appoints an administrator with special powers to encourage economic development.

• (9:40 p.m.)

Let me tell the minister that economic development has not taken place in special area No. 2 or special area No. 3. Adequate opportunities for employment have not been forthcoming. People who remain in those areas have provided for themselves and their families because they have had the initiative and the will to do so. But the areas have not grown or participated to any degree in the general growth of the province of Alberta or the country as a whole.

In administering the act, the minister should pay particular attention to special areas No. 2 and No. 3. The minister might ask me how he does this. I could cite a number of industries that attempted to set up operation in those very areas. For example, I was enticed into joining a manufacturing company which my financial knowledge and all the rest told me was a bad venture. Since I was a representative and must show some faith in the area, I invested some money, though not a great deal. This particular manufacturing plant has existed for four years now in the town of Hanna and has not received one red cent of assistance from the federal government, though it could have done with some. Even a request for a loan from the Industrial Development Bank was turned down.

Huge grants have been given to United States subsidiaries in the province of Ontario, subsidiaries that no more needed those grants than the minister needs to fly to the moon, though there may well be good cause for him to fly to the moon. U.S. subsidiaries have also received grants in the province of Quebec as well as U.S. oil refineries that were built in Newfoundland. Contrast that with the situation in Alberta which has to contribute dearly by way of equalization grants to the provinces of Newfoundland and Quebec.

In view of this, why has not this whole area to which I refer in what you might call the central or east central part of Alberta received some attention from the federal government in the form of loans, let alone grants? These special areas have received no assistance because the people in the area have fairly good incomes and either own or lease from the provincial government huge tracts of land.

This clause provides for the making of regulations respecting factors relating to the inadequacy of opportunities for productive employment. I emphasize the words "opportunities for productive employment". Opportunities for productive employment have not been provided in special area No. 2 or special area No. 3. Since the federal government feels it should subsidize U.S. subsidiaries in Ontario, a wealthy province, and in Quebec, another wealthy province, as well as in the maritimes to enable them to compete with the very industry that allows Alberta to contribute money to equalization grants, surely the minister should pay some attention to areas in western Canada that are in need of opportunities for productive employment.

Hundreds of people have left this area of which I speak during the last 20 to 30 years. Between 1940, when times in Canada were considered relatively good owing to the second world war, and 1969, a period of 29 years, special areas No. 2 and No. 3 in the province of Alberta have seen large numbers of people leave because of the lack of employment opportunities. The province decreed these districts designated areas some 34 years ago. Yet, under the designated area legislation this parliament passed some four years ago no attention was paid to them.

Under this legislation the minister is given huge powers to allow him to develop areas in any part of Canada. Surely, he can pay some attention to a part of western Canada that has not kept pace with the economic growth of Canada as a whole. I urge the minister to correct this situation after this bill is passed. Let him not set up nine criteria as was done under ARDA. ARDA was first of all set up to develop resources in order to enable people to provide for themselves. Actually, all Albertans want is an opportunity to provide for themselves. That is all that the people in special areas No. 2 and No. 3 want. They do not want handouts.

According to *Time* magazine for February 28, if the money required to build a causeway were distributed among the population of Prince Edward Island each person would receive something like $6,700. This reminds me of an Indian reservation on the prairies which was given to a once proud race of people about 100 years ago. They were told there would not be any causeway that would take them off the reservation; they were to be fenced in and the federal government would provide for them. But what happened? Subsequent governments in the late 1800's debased that once proud race of people to the point that today they really do not want to participate in our society. Let the minister not do this under this legislation. Let him not create an Indian reservation out of the province of Prince Edward Island. Build a causeway there and let the people provide for themselves.

Let not special areas No. 2 and No. 3 in the province of Alberta become a desert in a proud and wealthy province such as Alberta. Let the minister contribute to the development of the area and create the employment opportunities referred to in clause 39. Let the minister be prepared to participate. Let him give a grant, if necessary, to local Canadians to develop industry in those areas, instead of giving R.C.A. Victor $5 million to establish a subsidiary in a wealthy town in Ontario.

I urge the minister, through you, Mr. Chairman, to pay particular regard to the responsibility that is placed on his shoulders of allowing people to provide for themselves. Let him not create Indian reservations on Prince Edward Island. Let him not establish Indian reservations anywhere in Canada; we have had enough of them. If the minister is to shoulder his heavy responsibilities adequately he must examine every nook and cranny of Canada and develop opportunities for Canadians in all parts of Canada.

• (9:50 p.m.)

About three weeks ago I returned from a trip to the maritimes. We had been studying Maritime transportation problems. As a westerner, I could not help being impressed with the opportunity that exists for the people down there. That struck me as odd. Ever since the Gordon report came out saying we must move people from the Maritimes, the federal government has moved them out. I say to the minister, stand back and look at the forest because if you are too close you will not see the trees. There is lots of opportunity in the Maritimes. A little initiative on the part of our people is needed if those opportunities are to be realized, but they do exist. If only one quarter of the people who left the Maritimes as a result of the Gordon report would return, I am sure the area would flourish. The federal government moved the people out of special areas No. 2 and 3; that took place between 1921 and 1939. If a quarter of those who left that area were to return, the area in question would receive a tremendous boost. If the government created employment opportunities in those areas those people would return to the affected regions of Alberta and other prairie provinces.

I say to the minister, take your job seriously and shoulder your heavy responsibilities. Look into every nook and cranny of Canada to see where employment opportunities might be created. If you do not, you will not have fulfilled the obligations you took on under this legislation and you will not be worthy of the ministry and the department which will play a big part in the development of Canada.

Clause agreed to.

On Clause 40—*Annual report.*

Mr. MacDonald (Egmont): Mr. Chairman, as hon. members know, this clause deals with the annual report. I wish to move an amendment that is related to the annual report. While this bill has been debated fear has been expressed in this house, by members of the public and in the press, that the minister is being given too much power under this legislation. The minister has been given more power than is normally entrusted to a minister heading a department. His power takes three forms. First, he has power to designate areas. He will be able to say what kind of industry shall be established in areas in order to correct regional disparities. Second, he can decide what kinds of grants are to be made to industries in their first three years of operation and whether there will be grants or loans. Perhaps because the house respects the minister, this point has not been raised tonight. As hon. members know, this power might be used for purposes of political patronage however, hon. members in this house have too high a regard for the minister to even suggest that he would use this power in that way. The third point, and this was discussed at some length, is the power the minister has to co-ordinate or to conscript the co-operation of other government departments.

We have tried to assist the minister in making sure that he can carry out his duties successfully. Although we support these measures, we must be realistic. We have entrusted the minister with a great deal of responsibility. That responsibility is greater than other ministers bear. If we are to be responsible members of the house we must, in our turn, examine on a regular basis the minister's stewardship. If the house has no assurance that it will examine on a regular basis the way the minister has discharged his duties it will have failed in its responsibility of ensuring that the department achieves the objectives which have been set out. For that reason, I propose to move an amendment to clause 40. I hope the minister will accept it. If he does not, perhaps he may move a similar amendment of his own. I think the minister and his officials would be on weak ground if they refuse to set up any adequate or necessary machinery which would examine how the minister has discharged his powers under this legislation. I, therefore, move to have the following words added to the end of clause 40:

Such report shall then be immediately referred to Standing Committee of the House of Commons on Economic Growth and Regional Disparity which shall be constituted as soon as possible after the commencement of the first session of each parliament, in any event not more than 20 days after the commencement of the said session, and presided over by a member of the opposition.

Three things are significant about this amendment. First, it refers specifically to a committee that is to be established regularly under the standing orders of the House of Commons. It will discharge certain responsibilities that are related to this department. The present committee most closely approximating the proposed committee is called the Committee on Regional Development. I think the minister will agree that that designation is much too vague. Clearly the minister thought it vague because the new department is to be called the Department of Regional Economic Expansion. The proposed committee would examine matters related to economic growth, which is of paramount importance to the whole country, and questions concerning regional disparity. It is important to have such activity clearly spelled out in the designation of the committee. If the minister, his staff or the people of the country consider the department the only agency responsible for lifting up regions across the country and enabling them to join the main stream of economic viability, then of course the department and its programs will flounder. On the other hand, if it is clear that the continued economic health of the nation depends on a realistic attack on the problems of areas suffering from regional economic disparity it will also be clear that the proposed committee will have some responsibility in dealing with this problem.

• (10:00 p.m.)

Therefore, I think it is important that the committee be designated as a committee on economic growth and regional disparity. Second, I think it is important that this committee, by statute, be charged to meet on a regular basis. We do not foresee any problem at the present time with this minister, but one never knows the developments which will occur in years hence. It may be the government, for reasons of its own, may not want the committee to meet. This would militate against the proper responsibilities, interests and privileges enjoyed by members of this house.

This amendment suggests quite specifically that the committee shall meet as soon as possible after the commencement of the first session of each parliament or at least no later than 20 days after the commencement of the said session. That is important if we are to be ensured parliament is going to live up to its responsibilities in entrusting these powers to the minister.

Third, I suggest this committee be presided over by a member of the opposition to give it the kind of impartiality and credibility that is important for major committees of this kind. I hear a member to my far right "phoo-fawing" that idea. I do not think he is serious because I am sure he realizes how important it is for committees such as Public Accounts to be chaired by a member of the opposition in order to have a full, free, frank inquiry into the circumstances that relate to its own area of jurisdiction. It would be important, not only for members of this house but for the general public whom we seek to serve as well as to a degree the provinces that will not from time to time share all the views of the minister, to know that full and open discussions are being held on a regular basis of all activities related to the particular responsibilities exercised by the minister. If the minister suggests this is not an acceptable amendment, he is then denying to this house the kind of responsibility it should exercise, while freely accepting a number of responsibilities being entrusted to him under this legislation.

The Deputy Chairman: Shall the amendment carry?

Mr. Marchand (Langelier): Mr. Chairman, I feel there is some confusion in all this. Many times I have heard it said in this house that this legislation will give huge powers to the minister and that the house must be protected, not necessarily against the present minister, but anyone who can abuse those powers. Anyone who reads the bill carefully will notice the powers are not given to the minister, but to the Governor in Council. This is where the powers lie. Every decision must be ratified by the Governor in Council.

All the arguments which are based on having something accepted because of special powers of the ministers, I do not think are good arguments because the minister does not have those special powers. I think under the present rules the estimates have to be referred to a committee and the type of discussion mentioned by the hon. member for Egmont could take place there. Therefore, the problem is not to try to hide anything from the house, because the house already has all the means to control what is going on in this department. First, there is the control of the Governor in Council and then there is the control of the house. My main argument is that I do not like the idea of having a standing committee of the house created to deal with a particular piece of departmental legislation. I believe it is the function of the house itself, in accordance with the rules, to establish such a committee if the house feels such a committee should be established. I do not believe this should be done through a piece of departmental legislation. I think that would be bad procedure.

Some hon. Members: Hear, hear.

Mr. Marchand (Langelier): I still agree in principle with what has been said. I think this department must be controlled like all others. I believe members of this house at least at the beginning will have to be careful, but we have everything under control in the department. I do not think the house is in danger of being cheated by the minister or even by the department. I am entirely in agreement with the objectives. If the house is not satisfied with the discussions when the estimates are referred to the committee, then the house can always create a committee of the nature and kind suggested in the motion. This is the reason I am opposed to the amendment.

[Mr. MacDonald (Egmont).]

Mr. MacDonald (Egmont): Mr. Chairman, one of the most important reasons perhaps for considering this important committee, along with the arguments I advanced, lies in the importance of the subject matter with which the Committee would deal. While the minister might suggest that normally a standing committee is not established in legislation setting up a department, that course may be necessary if we are to have this problem settled. If the government and the house are not prepared to do this, then we should pack it up now and go back to what we had because it is likely that it will be as good as anything we will see in the next four or five years. I think there must be engagement at all levels in the government structure if we are to get at the problem which has been so chronic that no amount of goodwill has been able to settle it.

The minister suggested it is the function of the house to set up a committee which it feels it needs. That is all well and good. We all know that committees are or are not set up at the wishes of the government in power. When the government sees fit, and sees no great problem for itself in having a matter fully aired, it will allow the committee to go ahead with its responsibilities. When, however, there are questions which it would not like to see raised it can use the device employed by all governments and not refer the estimates or not establish the committee. Despite what the minister said to the effect that he is not engaged with any special powers, we would certainly hope he is being given some special responsibility or else we will not really get beyond what has existed with previous ministers.

• (10:10 p.m.)

I do not see how, on the one hand, he can say he is not to be given any special responsibility and, on the other hand, say this attempt will go farther than the previous ones. I do not think he can have it both ways. The minister is going to make many decisions that will be important. If the house expects him to exercise these special kinds of responsibilities through his department, then, if I may say so, it is a little bit fraudulent not to believe that the house itself has some responsibility. I do not deny the good will of the minister. I do not deny that he agrees with my suggestion, with the exception of the way it is stated. I do not think that his good will is sufficient when it is important to this house

that the committee meet, even if the concurrence of the government of the day is not given to such a meeting.

Mr. Macdonald (Rosedale): Mr. Chairman, perhaps I could set the hon. member straight on the business of standing committees. By Standing Order 65, concurred in earlier in this session we did set up a Standing Committee on Regional Development. I also suggest that the hon. member might look at some of the other changes that we made in the rules on December 20 last.

He would then find that his assertion is mistaken that the government can prevent the committee meeting and considering estimates. The government has no choice over whether estimates are referred to a standing committee. It is under an obligation to refer estimates and each year, until the rules may be changed by the house, the estimates will automatically be referred, and the opportunity will exist for the committee to meet and to consider the particular questions that may be of relevance to it.

May I make another point with respect to the observation of the hon. member about putting into legislation essentially matters which surely should be the prerogative of the House of Commons only. The procedure of the house is determined by the house itself. The hon. member for Winnipeg North Centre very often says that the rules here should be determined by parliament, but he does not really mean that because parliament means the Senate, the House of Commons and the Queen. I do not think that we, under this legislation, or under any other legislation—

Mr. Peters: Do you want this by eleven o'clock?

Mr. Macdonald (Rosedale): My friend, we will have it by eleven o'clock and not even you will be able to prevent it. There was an order to that effect earlier today. May I also point out to the hon. member for Egmont that if we fall into the practice of putting this kind of amendment into statutes, then anytime we in the House of Commons wanted to change our rules in the house with respect to the manner in which we handle our business, the type of committee that we have, or the process of legislation, we would have to ask the permission of the Senate, and the Queen to do so. I think it is appropriate and reasonable to make procedural changes with respect to the business of the house within the context of the standing orders, and not to shackle the house's right to deal with its own procedures by including procedural limitations in statutes.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, a few minutes ago I was prepared to get up and say that even though it hurt me to do so I had to support the position taken by the Minister of Forestry and Rural Development. I hope that his case has not been spoiled by the intervention of the President of the Privy Council, but as a matter of fact I am afraid he has provoked my hon. friend from Timiskaming to keep this going until eleven o'clock. I had hoped we would finish it by 10.30.

If I may revert to the case made by the Minister of Forestry and Rural Development, I suggest that it is an unwise policy to write rules for this House of Commons into statutes. I think we should make our own rules. I believe we have made some improvements, and things are getting along reasonably well.

I also ask the hon. member for Egmont, even if his amendment were to carry, where would he be? All he would have is a requirement that a committee be constituted, that its chairman be a member of the opposition, and that the report be referred thereto—period.

There is no requirement in this amendment that the report be dealt with, that there be a report back to the house, and that it be dealt with here. Maybe I have saved my hon. friend from Timiskaming the trouble of making the speech that is probably up his sleeve, but may I point out that a more serious problem which faces us is what we do with the reports of committees. We have too many committees that meet—not the ones on estimates and bills—but on investigations and so on, and they report back to the house, and those reports do not get dealt with. In any case, I think it would be a mistake to write into our statutes, which have to go to the other place, the rules under which we carry on our proceedings in this house.

I think it would be better to leave it to the house to exercise its responsibility over this department by seeing that when the estimates of the department are referred to the committee, as they must be, all its operations are thoroughly scrutinized.

Some hon. Members: Hear, hear.

Mr. MacDonald (Egmont): Mr. Chairman, having listened to these two house leaders, both somewhat recognized with regard to

house procedure, I suppose I am really putting my head in the lion's mouth in disagreeing with them. However, I think they themselves put part of the argument when they suggested it is really the responsibility of the house to establish particular committees to deal with this question or that.

Under normal circumstances their suggestion is correct. But the very fact that the house from time to time must make that kind of decision means there may well be many occasions when the importance of questions raised with regard to the operations of this department should be considered by a special committee. It may be, and I apologize to the house for insufficient draftsmanship at this point, that I should have added another sentence at the end, namely, that in all other respects it would function as a regular standing committee of the House of Commons. If that would satisfy hon. members to my left and those on the other side of the house, I would be happy to add those words. I gather, however, the nature of the objection is more than that.

While the house leader was anxious to jump into the discussion and give the house his views on the matter I am sorry that he did not express, nor did the minister, their views on the importance of a member of the opposition functioning as Chairman of the committee. I do not know whether he thought this was not an important question to be resolved in the context of this amendment, but it is one of the questions that should be looked at very seriously. If there is to be the degree of impartiality and the breadth of discussion necessary in order that all facts are known on a regular basis, some such arrangement should obviously be very seriously considered. That, of course, is all that is included—

Mr. Macdonald (Rosedale): Mr. Chairman, could I ask the hon. member a question? What exactly is the reason he would give why a member of the opposition would be less partial in this political body than a member supporting the government?

Mr. Baldwin: Experience!

Mr. MacDonald (Egmont): Mr. Chairman, I would think the answer to that question is obvious. But if the minister needs an answer, it is of course the fact that the government has on this committee and on any other, of course, a majority of members. I am trying to balance off what are the particular partisan positions of members. No one is denying, least of all me, that every member who functions on a committee represents to some degree his own party and his own position in the house. But I think we must try and create—this is the closest I can come to it—a committee that allows for enough balance so that it can make the full and frank inquiry that is necessary. Otherwise, I presume there will be some movement on the government side to do away with having a member of the opposition chair the Public Accounts Committee.

[Mr. MacDonald (Egmont).]

Mr. Macdonald (Rosedale): Mr. Chairman, I was referring to a previous chairman of the Public Accounts Committee.

Mr. MacDonald (Egmont): We have the situation wherein a majority of government members give the government security in committees with respect to votes, provided there is not two great a number of government absentees. But even if the government majority is not so overwhelming, as often occurs in the present set-up of standing committees, the government majority shows up in the reports of committees to the house. Under this practice, a committee is nothing more than a sounding board of what the government is about. I think that if House of Commons committees, and this one in particular, are to be more credible to the house and the country, some measure of impartiality through balance has to be achieved. That is the reason for the suggestion that a member of the opposition act as chairman.

(10:20 p.m.)

I might conclude my remarks by putting this question to the minister. Since he suggested that such a provision does not need to be included in the statute, I wonder whether he would give an undertaking to the house that a measure similar to this one would be introduced by the government benches so that we could have an inquiry into this department on a regular basis.

Mr. Marchand (Langelier): I do not think it would be proper for me at the present time to make a commitment of this kind in the name of the government.

The Deputy Chairman: Shall the amendment carry?

Some hon. Members: No.

The Deputy Chairman: The amendment is negatived, on division.

Amendment (Mr. MacDonald, Egmont) negatived.

Mr. Baldwin: After listening to the debate, in which I did not participate much as I was tempted to, I am sorry to hear the President of the Privy Council and the hon. member for Winnipeg North Centre indicate they cannot support this idea because it is new. I would have thought that in matters of this kind the fact that something had not been done before should not be the basis of an objection to it being tried at this time. I am amazed at the company which the hon. member for Winnipeg North Centre is keeping at this time.

Mr. Knowles (Winnipeg North Centre): Don't rub it in, please.

Mr. Baldwin: The amendment was defeated, of course, and is not subject to discussion. Despite what the minister and the President of the Privy Council said, there is nothing in the bill that will make it essential that the report be referred to a committee dealing with the operations of the department. Let me point out that we have passed clause 39, which will presumably be passed by the other place, and will become part of the law under which we give to the government the right to legislate. The Governor-in-Council is empowered to make regulations for carrying out the purposes and the provisions of this bill. These are very wide powers indeed; they virtually constitute the right to legislate. For that reason, the operations of the minister and his department under this report should certainly be the subject of discussion and consideration by the appropriate committee. Will the minister undertake that so long as he is minister he will ensure that this report will be given to the appropriate committee for its consideration each year?

Mr. Marchand (Langelier): I think the power to make regulations which is contained in clause 39 is not more extensive than the power given to other departments.

Mr. Baldwin: But it is still objectionable.

Mr. Marchand (Langelier): This is nothing special. Perhaps the whole bill will have to be revised some day, but this is the only way to proceed.

To answer the hon. member's question, if there is a good reason for referring the report of the department to a special committee, I will be ready to discuss it and accept it. I do not see the difference between discussing it now or at some other time when the problem is before the house. What my reaction will be at that time I do not know because it will depend on the importance of the report. I do not think it is fair to expect me to commit myself on a problem that has not yet arisen, and on something that I know nothing about right now.

Mr. Baldwin: Will he place any obstacle in the path of the committee considering and receiving this report? I put it to the minister in this way: Despite what he said, under clause 39 this government is securing extraordinary powers to make regulations and to carry out the purposes and provisions of the bill. These powers have been specifically spelled out; they have been debated, they have been the subject of amendment and they were passed.

Now, we have reached a situation where the minister can be given by the Governor-in-Council wide and extraordinary powers. Much of what will be done will be done by regulation. If the minister is not prepared to give an undertaking that the report will be given to the appropriate committee for consideration by that committee, will he at least indicate that he is prepared to facilitate the committee being given the opportunity to consider the report and that he will place no obstacles in the path of it doing so?

Mr. Marchand (Langelier): If this is something reasonable, I am sure I will support it. If it is a manoeuvre, I will oppose it. The hon. member tells me that a majority government may abuse its power. I think that is true. The only remedy for that, as far as I can see, is an election and nothing else. But if I think the proposal is reasonable, then as far as I am concerned I will surely support it. I cannot go further than that.

[*Translation*]

Mr. Lambert (Edmonton West): Mr. Chairman, I should simply like to make a few remarks following those of my colleague of Peace River (Mr. Baldwin).

When the anti-dumping legislation was being studied, we were able to insert in it a provision stipulating that all regulations passed by the governor in council will be tabled in the house and referred to the appropriate committee.

The minister knows as well as I do that under the regulations act, any regulation enacted in accordance with section 39 should at least be published in the Canada Gazette.

But there is an exception and the minister will recall our discussion with his colleague, the Minister of Agriculture, (Mr. Olson) during the consideration of Bills C-154, C-156 and C-157. At that time, the Minister of Agricul-

ture refused to incorporate any regulation into the act but promised that any regulation would be published and actually tabled in the house for the consideration of the committee.

I raise that point because my colleague, the hon. member for Peace River, said, and rightly so, that we were thereby giving the governor in council unlimited powers to draw up a second bill.

In fact, what does clause 39 contain? Only some patching up. Perhaps the number of paragraphs in that clause is no greater than in other acts, but the essential can be found in them.

The minister can say that the same provisions appear in the other bills, but I still maintain that it only amounts to some patching up. However, the fact is that the principle is quite dangerous and that we shall insist more and more to have any regulation published and submitted for consideration, since everyone knows that he who gets unlimited powers can misuse the privilege.

• (10:30 p.m.)

Even if there is good will, one is inclined to abuse power when one has it. Therefore, I ask the minister if he can assure us that all regulations made under clause 39 will be presented to the house so that the appropriate committee may have the opportunity to examine them.

Mr. Marchand (Langelier): Mr. Chairman, maybe there is some misunderstanding—and perhaps also a lack of precision on my part.

Once this legislation is passed, I hope that we will be able to bring down in May, as I announced it, a bill respecting industrial incentives, which will be the real legislation that will enable us to help industry.

That legislation will provide the criteria for designation, the amounts of money, etc. In other words, the legislation will spell out everything the house needs to know in order to make up its mind and pass judgment on the general activity of the government in this field. The bill before us is only intended to establish the department and nothing more.

As soon as we start studying the field of industrial incentives, a special legislation will be brought before the house.

As to the regulations which will allow the department to take some steps, they could only fall within the public domain and perhaps be discussed in the house, should hon. members not agree on them.

[*English*]

Clause agreed to.

Clause 20 agreed to.

[Mr. Lambert (Edmonton West).]

Clauses 102 to 106 inclusive agreed to.

Schedule A agreed to.

Schedule B as amended agreed to.

Clause 1 agreed to.

Title agreed to.

The Deputy Chairman: This concludes consideration of Bill C-173.

Bill reported.

The Acting Speaker (Mr. Béchard): When shall the said bill be read the third time?

Some hon. Members: By leave, now.

Mr. Macdonald (Rosedale) (for Mr. Trudeau) moved that the bill be read the third time and passed.

Hon. Robert L. Stanfield (Leader of the Opposition): I shall just take a minute, Mr. Speaker. The bill has now proceeded through the house. With regard to what is, perhaps in many ways, a most important section of the bill, namely the part of the bill we have been discussing these past several days relating to regional economic development, I do not wish to add anything to what I said previously when I made some suggestions and expressed some reservations about the manner in which the department is constituted and its approach.

Actually, I am disappointed that it has taken the government 10 or 11 months to prepare this bill for the house. Perhaps the house has not done too badly by dealing with it in 10 or 11 days. But the point I want to make is that the bill has now been passed and the various departments finally established.

Mr. Drury: No—what about the Senate?

Mr. Stanfield: The bill has passed as far as this house is concerned. This measure is obviously one of the most important measures the government is undertaking. The activities of the various departments will be watched with great interest and scrutiny. As I say, it has taken the government 10 months to get the bill before the house; in God's name, let the government now go ahead with its work and get the job done.

Mr. John Gilbert (Broadview): Mr. Speaker, although we can commend a great deal of Bill C-173, there is one serious gap in it. No provision has been made to set up a department of housing and urban affairs. The federal cabinet should include in the bill a minister responsible for housing and urban development who would occupy his portfolio on a

full time basis and have the assistance of a staff in carrying out important policy decisions. The activities of the new department would embrace research, review in this field and the generating of policy. It would not replace or compete with Central Mortgage and Housing Corporation. Therefore, Mr. Speaker, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That Bill C-173 be not now read a third time but that it be referred back to the committee of the whole house for the purpose of amending it to provide for a department of housing and urban affairs.

[*Translation*]

The Acting Speaker (Mr. Béchard): The Chair has serious doubts as to the validity of the amendment moved by the hon. member for Broadview (Mr. Gilbert) and if an hon. member would like to make some comments, the Chair would be happy to hear them.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): What is wrong with it, Mr. Speaker?

The Acting Speaker (Mr. Béchard): I think this amendment is not relevant to the bill. It is beyond the scope of the actual bill. I refer hon. members to citation 418 of Beauchesne's Fourth Edition:

The question for the third reading is put immediately after the report from the Committee of the Whole. All amendments which may be moved on a second reading of a bill may be moved on the third reading with the restriction that they cannot deal with any matter which is not contained in the bill—

When a motion is made 'that the Bill be now read a third time', the same kind of amendments are permissible as on the second reading, i.e., amendments postponing it for three or six months.

The amendment must be relevant to the bill at third reading. Is it the pleasure of the house to adopt the main motion.

Some hon. Members: Agreed.

Motion agreed to, bill read the third time and passed.

The Acting Speaker (Mr. Béchard): The time being after ten o'clock, this house stands adjourned until tomorrow at two o'clock p.m.

At 10.40 the house adjourned, without question put, pursuant to special order.

HOUSE OF COMMONS

Tuesday, March 25, 1969

The house met at 2 p.m.

ROUTINE PROCEEDINGS

TRANSPORT AND COMMUNICATIONS

DISCUSSION UPON THE CALLING OF THE ORDER FOR A MOTION TO CONCUR IN FIFTH REPORT

On the order:

March 21, 1969—Mr. Lessard (LaSalle) (Chairman of the Standing Committee on Transport and Communications):

That the Fifth report of the Standing Committee on Transport and Communications, presented to the House on Wednesday, March 19, 1969, be concurred in.

Mr. Speaker: Order. Presenting reports from standing and special committees. The hon. member for LaSalle—

Hon. Donald S. Macdonald (President of the Privy Council): On a point of order, Mr. Speaker, before calling this motion in the name of my hon. friend from LaSalle I wonder if it would be possible for me to raise a question of order concerning a recommendation in the report. In doing so, I take no exception to the preamble of the report and the analysis arrived at by the transportation committee as a result of its travels.

Mr. Lambert (Edmonton West): Order.

Mr. Macdonald (Rosedale): Obviously, I take no exception to the first recommendation.

Some hon. Members: Order.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): On a point of order, Mr. Speaker—

Mr. Speaker: Order please. The hon. member for Nanaimo-Cowichan-The Islands has risen on a point of order. My understanding is that the President of the Privy Council has risen on a point of order.

Mr. Douglas (Nanaimo-Cowichan-The Islands): If the minister has risen on a point of order, I would suggest to Your Honour that in all propriety he ought to state his point of order. I take it from the remarks he has made so far that he is objecting to certain statements in the report. That is not a point of order. If the minister has a point of order, the house should hear it and Your Honour should rule on it.

Mr. Speaker: I suggest I should hear the point of order before I can rule on it.

Some hon. Members: Hear, Hear.

Mr. Macdonald (Rosedale): Mr. Speaker, I am directing myself, as I indicated, to the final recommendation of the report and wish to raise a question of order with respect to that.

Some hon. Members: Order.

Mr. Macdonald (Rosedale): I trust I might be heard before others participate in the discussion of this matter.

Mr. Lambert (Edmonton West): But don't get into the heart of the report.

Mr. Macdonald (Rosedale): I raise a point of order with respect to that part of the report which deals with the passenger train service in Newfoundland. That part reads as follows:

Your committee recommends that the order of the Canadian Transport Commission, authorizing the Canadian National Railways to suspend rail passenger service in Newfoundland on April 5, 1969, be left in abeyance, until your committee tables its complete report in respect to this question.

Incidentally I believe the correct date is April 15 and not April 5, 1969, as stated in the report. My question of order is whether it is in order for a standing committee to make recommendations that this house itself could not make. I would like to submit two considerations in this regard. The first is that the standing committee cannot by resolution in effect purport to repeal what is already an act of this parliament. I would like to make reference to the provisions of the Railway Act in this regard.

Mr. MacEwan: Then what is the point of committees?

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker—

Mr. Speaker: Order, please. The hon. member for Winnipeg North Centre on a point of order.

Mr. Knowles (Winnipeg North Centre): With respect, I submit that the President of the Privy Council is debating the substance of the report. The motion has not been moved. He has no right to violate the rules of the house in this way.

Some hon. Members: Hear, hear.

Mr. Macdonald (Rosedale): Mr. Speaker, one wonders why hon. members are so anxious to prevent my stating my point of order. I have not at all got to the substance of the report. I trust that I might be heard on my point of order so that Your Honour will be in a position to rule on it. My point of order is on a twofold basis. I indicated in the first place that in effect the report attempts to do something which neither the house nor any of its committees could do, that is, by itself repeal an act of parliament without a bill.

The second point is that the subject matter referred to in the report is sub judice. Perhaps I could point out the basis for raising the point of order. I hope I will be heard in this regard. Under the Railway Act provision was made for an appeal from the Board of Transport Commissioners of Canada to the government—

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, on a point of order—

Mr. Speaker: Order, please. The hon. member for Prince Albert on a point of order.

Mr. Diefenbaker: Mr. Speaker, is the minister going to have the privilege of rewriting that with which he does not agree? First, there is the suggestion that certain committees are directed by Liberal members and that they should carry out the wishes of the government. Now we have a recommendation from a committee, and the minister does not accept it. In other words, it is further evidence of how far removed from actuality and reality is the committee system when a minister starts to rewrite that which he does not like.

Some hon. Members: Hear, hear.

• (2:10 p.m.)

Mr. Speaker: Order, please. I have to bring to the attention of the minister and of all hon. members that the Chair is in a difficult position. Actually I do not know at this point exactly what is the point of order of the minister. In point of fact the only matter with which the Chair is faced at the present time is the motion by the hon. member for LaSalle (Mr. Lessard) that the fifth report of the Standing Committee on Transport and Communications be concurred in. I have some serious doubts, as other hon. members appear to have, as to whether we can go behind this motion to question certain procedural aspects of the report at this time. This seems to be what worries a number of hon. members, particularly the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas).

Perhaps the minister might come to the point quickly and I will hear other hon. members on this subject. In view of the uncertainty of the situation I might be allowed to take the matter under advisement. But for the purpose of order, the minister might be allowed a few moments to indicate what exactly is the point of order.

Mr. Macdonald (Rosedale): Mr. Speaker, I thank you for this opportunity and will repeat that my point of order is founded on two bases. The first is that if it was out of order for the committee to make that report, it would be out of order for this house to be asked to concur in it, because it is in essence beyond the power of parliament to act by way of resolution rather than by bill. The second reason is that the matter in question in the report is in fact sub judice before what is declared by law to be a court of record, and I should like to refer to certain provisions in Beauchesne and in May's seventeenth edition which, I maintain, support the point of order that I am making. So I wonder if I might be heard in this regard.

As I indicated, the Board of the Transport Commissioners of Canada was declared to be a court of record for the purposes of the law, and under the National Transportation Act which was passed by this house on February 9, 1967, that status was continued in relation to the Canadian Transport Commission. I should like to refer Your Honour to the Railway Act which is in the revised statutes, 1952, section 53 (1). I will not set out in full the provisions of that section, but will point out in other words that parliament has already dealt with the matter of appeals from the Canadian Transport Commission and has indicated that appeals are to be made by way of applications to the Governor in Council, and not by application to this house or any committee of this house. In short I submit

that it is not in order for a standing committee to try by resolution to repeal a decision of parliament taken by bill.

The second base for my point of order is that I submit that the matter in question in the report is already under judicial consideration, that it is in fact sub judice, and as such the well established principles both in this house and at Westminster are operative here. I refer to the fact that section 9(2) of the Railway Act in effect constitutes the Canadian Transport Commission as a court of record.

I should like to refer Your Honour to page 127 of Beauchesne where the following is said:

—it has been sanctioned by usage both in England and in Canada, that a member, while speaking must not...refer to any matter on which a judicial decision is pending.

I should like to refer Your Honour to page 454 of May's seventeenth edition where the same principle is outlined, and also to page 396 where the following statement is made:

A matter, awaiting or under adjudication by a court of law, should not be brought before the House by a motion or otherwise.

When we examine the order relating to rail passenger service in Newfoundland we see it was made on July 3, 1968, by the commission and that in fact the commission had not yet made its final determination on this question, —in other words that the matter is still before the commission. The interim order made on July 3, 1968, says:

If, prior to April 15, 1969, Canadian National Railways fails or is unable to perform any of the conditions enumerated above, or if at any time before that date the Committee (i.e. the committee of the commission) is not satisfied that the bus service is at least as good as the present passenger train service, it may, upon notice to Canadian National and to all parties who appeared before it in December, 1967, reconvene the hearing—

In other words, it is perfectly clear that no final order has been made in this matter and that it is still before the Canadian Transport Commission. That commission is a court of record and therefore the long and well established practice of the house that such matters, being sub judice, are not to be dealt with on motions of the house, applies in this case, and I suggest that a motion for concurrence in this report should not be received at this time.

Some hon. Members: Hear, hear.

Mr. G. W. Baldwin (Peace River): It may well be, Mr. Speaker, that everything the President of the Privy Council says is correct. It may well be there are defects in this report. But with all due respect, it seems to me the minister should not be able to introduce at this time statements with regard to proceedings before the Canadian Transport Commission, and that such statements ought not to be taken into consideration here.

I suggest with deference, Mr. Speaker, that what the minister could well do is this: Once the matter has come before the house on the substantive motion of the hon. member, he can introduce a subsequent motion to amend it or to send it back to the committee. The way in which the minister is attempting to deal with it now is, in my submission, not the proper way. Of course, once the motion has been put and the debate commenced it will be open to the minister or to anyone else to move an amendment or raise a point of order. The motion cannot be disposed of now by the action of the minister in drawing attention to certain proceedings, not yet completed, which are before the Canadian Transport Commission, and of which this house has not been apprised. Those proceedings were certainly not part of the work of the committee.

If, in the course of the debate, after an appropriate motion to amend put forward by the minister, Your Honour were to reach the conclusion that there were difficulties in connection with the wording of this motion, then Your Honour would have the right to rule accordingly. But in my view the matter should be allowed to proceed. It would then be incumbent upon the minister or upon any other hon. member to make a motion at the time we are debating the substance of the issue.

Mr. Knowles (Winnipeg North Centre): I wish to make it clear, Mr. Speaker, that I have no desire to prevent the President of the Privy Council from speaking on this matter, but I do feel very strongly that he should speak at the proper time.

Your Honour had called on the hon. member for LaSalle to proceed with his motion which reads:

That the fifth report of the Standing Committee on Transport and Communications, presented to the house on Wednesday, March 19, 1969, be concurred in.

Before the hon. member for LaSalle was able to get to his feet, the President of the Privy Council raised a point of order. I submit that it is a spurious point of order and

that it violates citation 318 (3) of Beauchesne...

A member will not be permitted in presenting a report to make any remarks on the subject matter; he can only properly do so on a motion in reference to the report.

I suggest that if this limitation is placed on the member of the house who has the moving of the motion in his care, it applies to everyone else. The minister should have waited until the motion had been made, at which point he could speak and argue against the report to his heart's content.

Mr. Bell: And vote against it if he likes.

Mr. Knowles (Winnipeg North Centre): There are other citations which state what can be done with a report from a committee. Citation 323 (2) states:

A report from a committee cannot be amended by the house but it must be referred back to the committee.

Paragraph (3) states:

On the consideration of a report, motions have been made expressing the agreement or the disagreement of the house therewith, or motions are made which are founded upon, or which enforce the resolutions of the committee.

My point is that it is perfectly in order for the President of the Privy Council to take objection to the contents of the report, and it is even open to him to argue, when it is before us, that it is an improper report—that it violates the constitution, or what have you. To have done it in this way however, and bring in a debate before the motion is before us is, I submit, highly irregular.

• (2:20 p.m.)

In my view, whatever views the President of the Privy Council has, Your Honour should give the hon. member for LaSalle the opportunity to move concurrence in this report, his motion being already on the order paper. Having been instructed to do so by the Standing Committee on Transport and Communications, I submit he has the right to move the motion, and that other members of that committee as well as members of this house have the right to speak on it pro or con, including the President of the Privy Council. I think he should have waited till the proper time.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, my comments will be quite short and similar to those of the previous speakers.

[Mr. Knowles (Winnipeg North Centre).]

This situation seems to repeat itself. In fact, this is the second time that objections are made to a committee report being concurred in and if the President of the Privy Council (Mr. Macdonald) does not accept the report in which concurrence has been moved today, it will become customary from now on to reject certain committee reports as a result of a minister's objection.

The minister can perhaps object to it, but the authority of the house is such that it can refuse to concur in a report and defer it again to the said committee instructing it to consider it more thoroughly.

If we refuse to consider this report today, we will set a precedent and we can ask ourselves which reports will be concurred in, since ministers may object to some of them. I feel that no hon. member can accept or reject the report of a committee which has been empowered to present a formal report to the house.

[*English*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, as leader of the government in this house the President of the Privy Council (Mr. Macdonald) should exhibit a superior knowledge of the rules. This afternoon he has fallen into a lamentable lapse. I would point out to him that this house is not his servant in any way at any time, notwithstanding the fact that this is perhaps the first time that a leader of the house has been given a cabinet position that entitles him to devote his attentions exclusively to the leadership of the house.

This house has passed certain rules as a result of which certain authorities or competences have, with a great fanfare of trumpets, been passed on to committees; but every time a committee dares show one iota of independence, like an overnight mushroom the President of the Privy Council is bound to pop up.

Like my colleague on this side of the house, the hon. member for Peace River (Mr. Baldwin), and also the hon. member for Winnipeg North Centre (Mr. Knowles), I say that the President of the Privy Council has lamentably jumped the gun. In arguing the substance of the matter before Your Honour he could not recognize the difference between a point of order and a point of substance. I put it to you that, as in the case of other motions that hae appeared before Your Honour, the President of the Privy Council has been most precipitate in rising to his feet to argue, not a point of order to the effect that the report was improperly on the order paper, but a

point of substance. This is where the President of the Privy Council has shown, shall I say, his lapse in failing to distinguish between a point of order and a point of substance.

He and the government can argue all they want about the contents of the report. They are as free to do so as hon. members are free to argue in favour or against, as their opinions dictate. But let him not confuse these two points. I put it to Your Honour that in so rising the President of the Privy Council himself is out of order, and that he should not be heard to continue his point. At the appropriate time the motion may be argued, but certainly not in this way. Certainly, the President of the Privy Council cannot presume upon his position as government leader in this house.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I wish to call the attention of the house to a point that has not been considered. The President of the Privy Council objected to the motion before the house, contending that in some way the committee's fifth report was not worded correctly. That, really is not the point we ought to be concerned about.

I submit that in drafting the fifth report of the committee the chairman of the committee did an excellent job in trying to overcome a difficult situation. There is what amounts to a court order emanating from the C.T.C. which orders rail passenger service in Newfoundland to be suspended as of April 15. The Canadian National has taken the position that it will continue its passenger service beyond that date. Service is to be continued throughout the summer. In other words, Canadian National will not obey the C.T.C. order. In the last paragraph of the fifth report the chairman was trying to bring relief with respect to the very embarrassing position in which the C.T.C. finds itself. The order it has made prohibiting continuation of passenger service in Newfoundland is not to be enforced. Canadian National wishes to continue operating that passenger service and the Standing Committee on Transport and Communications is asking this house to come to the aid of the C.T.C. and rescue it from an embarrassing position.

The committee does not say that the order should never be complied with; we say it ought to be left in abeyance until the committee has had ample opportunity to study the entire question of rail passenger service in Newfoundland. I sincerely hope that Your Honour will not rule us out of order on this motion. Our idea was to rescue the C.T.C. from an embarrassing position. I urge hon. members of the house to concur in this fifth report.

Mr. Bell: On a point of order, Mr. Speaker.

Mr. Speaker: Order, please. I see three hon. members who are anxious to contribute to the debate. I will, of course, hear them. But I suggest to hon. members that we are perhaps getting into the consideration of the substance of the matter. I agree with the views hon. members have expressed on this point of order up to now. The President of the Privy Council, to some extent at least, is considering the substance of the report, and I am not at all convinced that this is the time to raise a point of order. I shall not render a decision at this stage. I therefore invite hon. members who wish to enlighten the Chair to do so as briefly as possible.

Mr. Thomas M. Bell (Saint John-Lancaster): On a point of order, Mr. Speaker. I will be brief. The President of the Privy Council suggested we have no power to amend or change a decision of the Transport Commission. Most of his argument was based on that point. He suggested we were wrong in bringing this recommendation before parliament. May I refer him to section 18 of the National Transportation Act which says in no uncertain terms that an appeal from the decision of the commission may be made to the minister. The Minister of Transport is in this chamber; he has the power to make this change. I therefore submit we were perfectly right in bringing forward this recommendation.

Some hon. Members: Hear, hear.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, it ought to be understood that this report was unanimously agreed to by the Standing Committee on Transport and Communications. To suggest therefore that it cannot be brought forward at this time is to slight the chairman. He has been directed by the committee to move the concurrence of this report in this house. I think he is therefore obligated to do so. I suggest that section 53(1) of the Railway Act provides for the Governor in Council to set aside a recommendation of the Canadian Transport Commission. The report of our standing committee in effect recommends that the minister should do that.

• (2:30 p.m.)

It recommended to the house that this action be taken, until the committee set up to investigate all transportation had an opportunity to hear those witnesses. This was concluded only a short while ago. I would respectfully ask, Mr. Speaker, that the motion now before us be put after which time I am sure many members will take part in the discussion.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, basically the point I wanted to make has been made. Perhaps the specific reference has not been drawn to the reason for the report being made, in committee, in the first place. The reason for the standing committee making a report was that a creature of the government had made a decision to abandon the rail service. The only appeal from that decision is through parliament and the Governor in Council.

Section 53 of the Railway Act specifically indicates that the Governor in Council may vary or rescind a decision of that body. I think, Mr. Speaker, there has been a tremendous misrepresentation here today as to exactly how the decision was made. There has been no decision made by parliament: The decision was made by a creature of parliament. We as a committee are asking parliament to exercise its right to rescind this kind of decision, and to act in its supreme capacity as being representative of all peoples of Canada. The only appeal is to parliament, and this is the reason for the almost unanimous recommendation from the railway committee.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, we have already experienced a similar situation—and I want to point it out very briefly—with regard to the same committee on transport and communications and an objection raised by same minister, namely the President of the Privy Council and the government house leader (Mr. Macdonald).

The matter had then be referred to the committee on privileges and elections. Here is what it was about. According to some, a recommendation which should have been in the committee report was not there. There followed a storm in a tea-cup and the question was referred to the committee on privileges and elections.

There were long hours of discussion; time was wasted and it was stated afterwards: The chairman of the committee on transport and communications is an excellent member of parliament; he did a fine job and he is not at all guilty.

I want at the outset to pay him this tribute, Mr. Speaker.

Today, the opposite is happening. I remember that when we discussed the recommendation missing in the report of the committee on transport and communications, the President of the Privy Council rose and expressed the point of view of the government. He even took a decision, assuming a right that was not his. As a result, the members of the committee on privileges and elections were much embarrassed by the statements made earlier in the house by the President of the Privy Council.

I believe the situation is similar today, and we cannot stand for it, since the President of the Privy Council would like the house to reject a report that is not even before the house.

I think the President of the Privy Council is once more assuming a right he does not have, in order to undermine the independence of committees, to impede their work and, in short, to deprive them of the possibility of studying a matter in depth. He tends to dictate his opinions to them.

Mr. Speaker, I say this is sheer intervention from the government and I think the right hon. member for Prince Albert (Mr. Diefenbaker) raised this point earlier in a very able manner.

Therefore, Mr. Speaker, I think we should discuss the matter, and then the report of the committee should be tabled so that we could finally examine it. In my opinion, the President of the Privy Council should not be allowed to dictate to the house his interventionist and autocratic rules.

[*English*]

Mr. Speaker: Order please. Hon. members in the course of this procedural debate have referred to May and to other authorities, and have quoted sections of a number of statutes, which of course are not before the Chair at the present time.

As I had indicated in the first instance, it would be my intention to study *Hansard*, and the contributions made to the debate. Later on, at the first opportunity, I will express an opinion and make a ruling in connection with the several points raised by hon. members. I would feel in any event it might not be appropriate at this time to put the motion for debate. In view of the fact that today is an

allotted day, I think it will be the will and intention of the house that we should devote our work this afternoon to the consideration of the motion of the Leader of the Opposition (Mr. Stanfield) rather than debate the motion of the chairman of the Committee on Transport and Communications. In any event, I will study the contributions made by hon. members and give a decision.

POST OFFICE DEPARTMENT

MONTREAL—ANNOUNCEMENT OF NEW DELIVERY CONTRACT WITH LAPALME TRANSFER

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, I would like to make a brief statement on the order for motions. I regret I was not able to provide hon. members opposite with copies, but I was only in the position to make this statement before entering the house.

I am glad to be able to inform the house that shortly before one o'clock this morning a settlement was reached in the dispute which has disrupted postal delivery in Montreal for the past four weeks. The Post Office has terminated the delivery contract held by Rod Services Limited and transferred the contract to a new company, LaPalme Transfer Ltd. of Montreal. The union has signed a new contract with LaPalme Transfer Ltd. and all employees returned to work this morning.

As hon. members know, the breakdown in postal delivery in Montreal arose out of a labour dispute between Rod Services Limited and the C.N.T.U., representing the company's employees. This dispute, which last week degenerated into violence, was the culmination of three years of disruptions in service to the public, brought about by management-union differences.

During the past four weeks, when a number of Rod Service employees failed to turn up for work, postal delivery in Montreal was seriously disrupted, and this in turn affected deliveries throughout the country. The situation would have been a good deal worse but for the extra effort put out by Montreal letter carriers and postal clerks, and by the co-operation of the public.

The present contract with LaPalme Transfer runs to March 31, 1970. At that time, the Post Office will review the situation, depending upon the performance of the company and its employees, and in the light of the studies being conducted by the task force. I do not want to prejudge the future but I may say I am greatly heartened by the approach LaPalme Transfer has taken to the key problem of employee working conditions. I therefore believe that this solution will prove to be the best one from the viewpoint of the employees, the company, the Post Office, and the public.

Mr. Heath Macquarrie (Hillsborough): Needless to say, Mr. Speaker, I rejoice in any diminution in the troubles in the Post Office, and in the troubles of the minister. I am very happy that some settlement has been achieved, and I hope it will be a lasting one. I regret that in the long interval of disputation aroused by the President of the Privy Council the minister could not have found time to send a copy over to some of us.

There are many facts that we would like to explore. For instance, I am interested in the expiry date of the new contract. I understand Rod Services had a contract which would expire the same date. I am interested in some of the phasing out formalities in relation to the Rod Services people. But, looking at this a priori, I am delighted that this very upsetting situation, where thousands and thousands and thousands of parcels have been held up in one of the most important distributing centres in the country, has reached some kind of settlement.

• (2:40 p.m.)

I might say to the minister that I note his optimism. I have noticed over the months that he is always optimistic. Sometimes it might be the better part of caution if he occasionally admitted that he does have troubles in the Post Office Department. We do hope however that this settlement will be lasting, and that the mails will go through.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in light of the difficulties the minister and the department seem to be having in all parts of the country, and in light of reports which come in daily to members of parliament about the tremendous drop in the morale of postal employees from one end of the country to the other, it is good to note that one of the immediate and most pressing problems has been settled.

I am sorry the minister could not give us a little more notice of this settlement. Let me say to him that at the proper time we will be interested in finding out the arrangements which were made with Rod Services after the

minister, in a somewhat precipitous and unilateral way, decided to cancel their contract. Were Rod Services reimbursed or recompensed in any way? Was their equipment purchased? If that was done, Mr. Speaker, then a most important question has to be asked. When the minister proposed to cancel the contract with Rod Services, and if he proposed and agreed to recompense them, did he make any provision, before these new arrangements with the new company were completed, under which former employees of Rod Services will be employed by the new company, and did he make any arrangements or give consideration to compensating the employees of Rod Services who would be laid off?

Surely that is an important question, Mr. Speaker. How did the minister propose to deal with the company whose contract was cancelled, and how did he propose to deal with its employees? Was he proposing to deal with them on an equally equitable basis at the same time?

In conclusion, Mr. Speaker, we are glad that this problem has been settled, and we hope that we will not see the minister on his feet in the next few days discussing another problem in another city.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, on account of the incredible mess in which the Post Office Department finds itself since the beginning of that dispute, we remain somewhat puzzled while the minister announces that he has at last solved the problem in part. If that is true, however, we can only rejoice. We would like to be sure that the new agreement will not mark the beginning of another messy situation.

The house has probably learned that the Ralliement Créditiste met in Montreal Sunday night and that its members heard about the mess now to be found in the Post Office Department, especially in Canada's metropolis.

We were told that the official report of the House of Commons Debates for Tuesday—that was the Ralliement Créditiste's field-day—had not yet reached Montreal, whereas that for Wednesday had been received. We are anxious to know the reason for the delay.

In any case, we are only too happy if that settlement can help the minister find some solutions. For instance, we might suggest, if the trucks of Rod Services Ltd. have been bought, that they could be used as mobile post offices, since the department intends to close a very large number of post offices.

[Mr. Orlikow.]

INTERPARLIAMENTARY MEETINGS

TABLING OF REPORT OF CANADA-U.S. INTERPARLIAMENTARY GROUP

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, as deputy co-president of the Canada-United States interparliamentary group, I am pleased to present, in English and in French, the report of the said committee. I beg unanimous consent of the house to have the proceedings of the meetings printed in Appendix to today's *Hansard*.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

[*Editor's Note: For Report above referred to, see appendix.*]

[*English*]

ORAL QUESTION PERIOD

EXTERNAL AID

BIAFRA—DESTRUCTION OF CANAIRELIEF MERCY AIRCRAFT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the Acting Prime Minister if he is aware of a telegram received by the Secretary of State for External Affairs from Canairelief charging that Nigerian jets have been directed to destroy Canairelief mercy planes and suggesting that Nigeria is opposing construction of an airport for use exclusively by relief planes? Will he say specifically what representations Canada intends to make, with a view to protecting Canadians now engaged in mercy flights in Nigeria-Biafra?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I would like to thank the hon. gentleman for giving notice of his intention to ask this question. Unfortunately I did not have sufficient time before two o'clock to go into it as fully as I would like. Under the circumstances I would suggest that I take it as notice and ask the Secretary of State for External Affairs to deal with it tomorrow, when I expect he will be back in the house.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, as a supplementary question I wonder if the Acting Prime Minister, in drawing this matter to the attention of the Secretary of State for External Affairs, would be prepared to suggest that the government take the very unique opportunity offered by the visit of the Prime Minister of the United Kingdom to Lagos to make representations to

General Gowon on what Canadians feel about the abhorrent practice of attempting to destroy relief planes?

Mr. Hellyer: I am sure, Mr. Speaker, that this suggestion will be brought to the attention of the Secretary of State for External Affairs.

HOUSING

C.M.H.C. STATISTICAL REPORT—POSSIBLE UPWARD REVISION OF TARGET

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I wish to direct a question to the Acting Prime Minister in his capacity as the minister in charge of housing, with reference to the statistical report on Canadian housing issued yesterday by the Central Mortgage and Housing Corporation. In view of their suggestion that even the construction of 250,000 units per year for the next five years would not eliminate the backlog, and in view of the fact that this figure is 25 per cent higher than the 200,000 units per year for the next five years recommended by the task force chaired by the minister, I want to ask the minister if in the light of this report he and his officials intend to revise upward the target for housing units for the next five years, and do they propose to ask parliament for the necessary funds to implement such a recommendation?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I prefer to deal in realistic figures. The figure of one million units in five years mentioned by the task force was described as a minimum target. I personally hope it will be exceeded by a substantial margin. However my hon. friend will realize from the report to which he refers that 200,000 units will improve the housing situation for Canadians very substantially, and anything beyond 200,000 units a year that we can do will improve it that much more substantially.

Beyond that you have to have access to information which has never been adequately codified. In other words, you have to know how many people live in doubled up accommodation because they prefer to do so, and we know there are some. We have to know the exact condition of several hundred thousand units that are described as poor in the housing stock statistics. I hope that we will be able to get more substantial, more precise information on these two matters in the course of the next few months, so that we will know precisely just what is required. In the meantime I can assure my hon. friend that the figures that have been suggested, if they are achieved, will make a substantial inroad into the problem and improve housing conditions for Canadians very materially. We will make every effort possible—

Mr. Speaker: Order, please.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a supplementary question. In view of the fact that Central Mortgage and Housing Corporation seems to have had in mind a higher and probably just as realistic a target as the task force may I ask the Minister whether there was any exchange of material between the task force and Central Mortgage and Housing Corporation; were they asked to make any recommendations or provide any research material? Would the Minister be prepared to table the exchanges of correspondence regarding desirable targets which may have passed between Central Mortgage and Housing Corporation and the task force?

Mr. Hellyer: I do not think there was any exchange of correspondence on desirable targets. We did have access to the material on their projects, and some others which we asked for. I think our main target would not have been too different from what would have been set by Central Mortgage and Housing Corporation, if it had set one. The figure of 250,000 at the moment is beyond the capability of either the country or industry to produce. As soon as we have the capability to produce that amount I hope it will be national policy to do so.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the Minister whether Central Mortgage and Housing Corporation was asked to suggest a target, and if so what was it.

Mr. Hellyer: I cannot remember precisely, but I know there is no substantial disagreement in respect of the figures we have discussed.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, may I ask the Minister, in respect of the estimate of the number of housing units which will be required, whether the task force has taken into its calculation the large influx of people who will be driven off the farms of the country into the cities by the

failure of the government to provide adequate agricultural policies?

Mr. Hellyer: Mr. Speaker—

Mr. Speaker: Order, please.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to ask a question of the Minister of Defence Production who is responsible for supplies—

Mr. Speaker: Order, please.

[*English*]

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I rise on a point of order. Some of us have supplementaries on the question of housing which we would like to get at.

Mr. Speaker: I must bring to the attention of the hon. member that we have already spent quite a bit of time on that subject. There are a number of hon. members who are anxious to ask questions. As the hon. member knows supplementaries are at the discretion of the Chair and an attempt is made from day to day to bring on as many subjects as possible. I believe this is the general wish of all hon. members. If there is an opportunity we might return to this subject later on during the question period.

[*Translation*]

OFFICIAL REPORT

PRINTING OF FRENCH EDITION ON POOR QUALITY PAPER

Mr. Roland Godin (Portneuf): Mr. Speaker, I wish to direct a question to the Minister of Defence Production, who is responsible for supplies and who incidentally has been a perfect host during my recent trip in his province two weeks ago.

Could the minister tell us whether the paper on which the French *Hansard* is printed comes from the province of Newfoundland, and if he intends to improve the service by ordering a better grade of paper from the province of Quebec?

Mr. Speaker: Order, I must point out to the hon. member that his question is one relating to a problem which comes actually under the jurisdiction of the Speaker. I would suggest to the hon. member to send his question in writing to the Speaker.

[Mr. Baldwin.]

[*English*]

HOUSING

C.M.H.C.—CRITERIA APPLICABLE IN PROJECTS

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the Minister of Transport in his housing capacity. Arising from his statement that public housing would be continued in an "amended, improved form" to use his words, would he indicate what notice he has given municipalities or provinces of the sociological and other criteria which now must be met before C.M.H.C. will enter into public housing partnerships.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I have indicated in discussions with some of the provinces and with some representatives of the municipalities that within a few days I would hope to be in a position to give them, in guideline form, the criteria which will be applied in making judgments in respect of these matters.

Mr. McCleave: Mr. Speaker, may I ask the Minister whether this would be in written form, so that every province and municipality could share the wealth.

Mr. Hellyer: Yes, Mr. Speaker, in both French and English—

Mr. Speaker: Order. The patience of the hon. member for Vancouver-Kingsway has been rewarded.

VANCOUVER—REQUEST FOR ACTION ON RENEWAL PROJECTS

Mrs. Grace MacInnis (Vancouver-Kingsway): Thank you, Mr. Speaker. This question is for the Minister. In view of the recent urgent appeal from the city of Vancouver that Ottawa take decisive action on two urban renewal projects will the minister permit Central Mortgage and Housing Corporation to conclude an agreement with the city to proceed with at least one of the two projects in limbo?

Hon. Paul Hellyer (Minister of Transport): They will have to be looked at very closely, Mr. Speaker. The city of Vancouver has already demolished quite a few houses which have not been replaced, and this at a considerable expense both to the taxpayers of Canada and the people whose lives were disrupted. If it can be proven that going ahead with additional renewal projects at this time is the best use of the money available to provide better housing and better conditions for Canadian citizens, then of course it will be considered sympathetically.

IMMIGRATION

JERRY RUBIN—ORDER DENYING ENTRANCE TO CANADA

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. I should like to ask the Minister whether or not an order or direction was made by his department that the self-styled revolutionary Jerry Rubin is not to be admitted to Canada, and if so did he find it understandable that the C.B.C. last evening by telephone to this fellow in the United States gave him four or five minutes on the C.B.C. to expound his revolutionary philosophy?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Yes, Mr. Speaker; the department has sent a notice to all officials at the border to the effect that Mr. Rubin is a prohibited person and that his entry into Canada will not be permitted.

Mr. Diefenbaker: Then I would ask the Minister whether he would communicate with the C.B.C. to ascertain why this individual should have been given the privilege, at Canadian expense, of speaking over the C.B.C., and why some of these petty Caesars in the C.B.C. can flout the authority of the government. I believe they should be made to realize that parliament does not intend to permit them to break the law of this country.

Mr. Speaker: Order, please.

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

Mr. Diefenbaker: Mr. Speaker, I asked a supplementary question and I am awaiting an answer.

Mr. Speaker: Order, please.

Mr. MacEachen: The action taken by the Department of Immigration with regard to Mr. Rubin speaks for itself.

Mr. Diefenbaker: The C.B.C. is not speaking that way. We pay for these revolutionaries to speak to Canadians.

DEFENCE PRODUCTION

CANADIAN AVIATION AND ELECTRONICS—TRANSFER OF CONTRACT TO ONTARIO

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct this question to the Minister of Defence Production. In view of the fact that the employees of Canadian Aviation Electronics at Winnipeg were informed this morning that certain contracts on which they had been working are to be transferred to a plant in Ontario, what steps will the Minister take to make sure that 100 or 150 of these workers at Winnipeg do not lose their jobs.

Hon. Donald C. Jamieson (Minister of Defence Production): Mr. Speaker, I am aware of the circumstances to which the hon. member refers. We are holding discussions between C.A.E. and the successful tenderer on this contract in order to try to alleviate as much as possible the effect of the transfer of this business. Talks are now under way.

POST OFFICE DEPARTMENT

EFFECT OF INCREASED RATES ON PRINTING INDUSTRY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, my question is for the Postmaster General, and it is not in Latin this time. In the light of the important and urgent representation made to the government by the Graphic Arts Industries Association on behalf of the printing industry of this country, will the Minister say what consideration he is giving to the measures advocated by this important body to diminish the very serious effects of the impending increased rates on the printing industry?

Hon. Eric W. Kierans (Postmaster General): The objective of the Post Office is to take the Post Office out of the pockets of the Canadian taxpayer. We have introduced a number of measures, in two ways. We have attempted to improve service, to increase productivity internally, and also to ask those who use the services of the Post Office to pay for them, and not to make them a charge on the general taxpayer. It is in this light that I have regarded most of the submissions that have been made to me.

Mr. David MacDonald (Egmont): A supplementary question, Mr. Speaker. Can the minister also assure us that in taking the Post Office out of the pockets of Canadian citizens we will have mail service?

Some hon. Members: Oh, oh.

[*Later:*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is to the Postmaster General. The minister has told us of his

concern for the service. Will he advise the house why the passport division of the Department of External Affairs will no longer guarantee delivery of passports within four days by registered mail?

[*Translation*]

AIRPORTS

QUEBEC—LOCATION OF INTERNATIONAL AIRPORT

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, my question is for the Minister of Transport.

I wish to ask the minister whether he has reached a final agreement with the province of Quebec in connection with the establishment of a second Montreal international airport, and if Sainte-Thérèse is the site which has been finally chosen?

Mr. Speaker: I think the hon. member's question is one which was asked yesterday during the question period.

Mr. Valade: On a point of order, Mr. Speaker.

I believe the minister stated yesterday that he was expecting to make a statement very soon to the house. And I am asking him if he is ready to make it today.

[*English*]

Hon. Paul Hellyer (Minister of Transport): Not today, Mr. Speaker.

Mr. Valade: When?

Mr. Hellyer: Soon.

FISHERIES

SEALS—DISPOSAL OF NORWEGIAN SHIP UNDER SEIZURE

Mr. Herb Breau (Gloucester): Mr. Speaker, I have a question for the Minister of Fisheries. Can the minister report to the house the latest developments in connection with the Norwegian ship which was taken into custody by officials of his department yesterday as the result of its seal hunting activities?

Mr. MacInnis: Even the C.B.C. has got that one.

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, the Norwegian ship has been brought into St. John's, Newfoundland, and the Department of Justice has been asked to proceed in the usual way under the Coastal Fisheries Protection Act.

Mr. John Lundrigan (Gander-Twillingate): A supplementary question, Mr. Speaker. Is the minister prepared to tell the house the reason for the investigation and dismissal of Mr. H. S. Homans, who was suspended as the marine regional inspector of the Department of Fisheries in connection with the seal hunt?

Mr. Speaker: Order, please. I am not sure whether this is a supplementary question. If there is urgency to the hon. member's question, it seems to me it is the type of question that should be discussed at the time of adjournment.

Mr. Lundrigan: Mr. Speaker, the reason I asked the question is the situation surrounding the dismissal of this gentleman as a result of his involvement in the seal fishery. This is why I posed the question as a supplementary.

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, this is a purely internal, departmental matter. But I can assure the hon. member that it has nothing whatsoever to do with the seal fishery.

Mr. Frank Howard (Skeena): A supplementary question, Mr. Speaker. I ask the minister and/or the Department of Justice, when they embark upon the prosecution of this case, not to be quite as generous as they were with the Japanese boat that was seized off the west coast a short while ago. I ask that they be a little more severe in this respect.

SEALS—REQUEST FOR CONSIDERATION BY STANDING COMMITTEE

Mr. David MacDonald (Egmont): A supplementary question, Mr. Speaker, in relation to the questions on this matter by the hon. member for St. John's East. Has the minister come to a decision with regard to having these various questions relating to the seal fishery and the propaganda that has been shown abroad, as well as the issue of the fishery itself, placed before the fisheries committee for exhaustive consideration?

Hon. Jack Davis (Minister of Fisheries): I understand that the house Committee on Fisheries and Forestry will be meeting on Thursday evening. I intend to make a recommendation to the committee to that effect at that time.

GRAIN

ALLOCATION OF BOX CARS—DISCRIMINATION AGAINST WHEAT POOLS

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, my question is to the Minister of Industry, Trade and Commerce. In view of the fact that he advised us on February 21 that he is personally supervising the activities of the transportation committee and the allocation of freight cars for grain movement, and in view of the fact that 5,000 fewer cars have been loaded so far this year compared with the same period last year, can the minister advise the house as to the result of the discussions held on Sunday with the heads of the two major Canadian railways? Will he also advise us what action is being taken to prevent discrimination against the prairie wheat pools in the allocation of box cars?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I know of nothing which can be done now to bring more wheat to the different ports than what is being done at the moment. If the hon. member has more specific cases to submit to me, I will be glad to listen to them and bring them to the attention of the Wheat Board and the transportation committee.

Mr. Benjamin: A supplementary question, Mr. Speaker. In view of the fact that the Saskatchewan Wheat Pool requires 1,500 to 2,000 box cars to fill the space they now have available in their terminals at the Lakehead, will the minister advise what action is being taken to provide these additional cars at the country elevators of the Saskatchewan Wheat Pool?

Mr. Pepin: Mr. Speaker, I had a report just this morning from the Wheat Board. I will read part of it:

> Stocks at the Lakehead this morning amounted to 65.6 million bushels. Cars in transit and on track were 5,808, roughly 12 million bushels. If the terminals can handle 78 million then sufficient grain has now been loaded to fill the terminals by the opening of navigation.

I could go on.

Mr. Benjamin: On a point of order, Mr. Speaker, the minister has completely avoided my question. I am perfectly aware that the terminals he is talking about are full. I have just said that it is a fact that the Saskatchewan Wheat Pool terminals are not full. They require 1,500 cars to fill them.

Mr. Speaker: Order, please. I suggest to the hon. member that this is a matter of debate and not a point of order.

Mr. S. J. Korchinski (Mackenzie): I have a supplementary question for the Minister, Mr. Speaker. Has the C.P.R. given any concrete evidence that it is trying to maintain at least the same type of service as the C.N.R., which is poor at best?

Mr. Pepin: Mr. Speaker, the performance of both railways in recent weeks has been excellent.

Mr. Ed Schreyer (Selkirk): A supplementary question, Mr. Speaker. I should like to ask the Minister of Industry, Trade and Commerce whether it is a fact that 5,000 more box cars were loaded last year than this year. If so, would it not be helpful if the minister would remove himself from the position of special supervisor of this activity so that the delivery of grain might be improved?

Mr. Speaker: Order, please.

[*Translation*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF YUGOSLAV DIPLOMATS

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, may I mention the presence in the Speaker's Gallery of Mr. Vasil Grivcev, Yugoslavia's foreign trade secretary. With him are the other members of the delegation and His Excellency Mr. Tode Curuvija, Yugoslavia's ambassador to Canada.

Mr. Grivcev and myself have just concluded some very useful consultations on the subject of trade between our two countries. The minister will now be going to Toronto where he will meet with representatives of the Ontario government and businessmen of that province. Then, he will be going to Montreal for talks with representatives of the Quebec government and Montreal businessmen.

I believe, Mr. Speaker, that the house will wish to join me in extending to them a very cordial welcome.

[*English*]

OIL

PARTICIPATION OF ACTING MINISTER IN WASHINGTON TALKS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I would like to direct a question to the Acting Minister of Energy, Mines

and Resources with reference to the petroleum industry, in light of the national anxiety at the present time in this respect. As the minister has said that western Canada is not going to get any special consideration as to the oil market and the demand for Canadian crude, is he intending to join the Prime Minister in the petroleum discussions taking place at the present time with the President of the United States and the Secretary of the Interior of that country?

Mr. Horner: I hope not.

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): Mr. Speaker, without wanting to associate myself with the introductory portion of the hon. member's remarks, I would assure the hon. member that I for one am confident of the Prime Minister's ability to handle that matter with the President at this time.

Mr. Woolliams: A supplementary question, Mr. Speaker. The minister said the other day in the House of Commons that a special task force had been set up. Are members of that task force with the Prime Minister advising him in his discussions with regard to petroleum with the President and the Secretary of the Interior, the former governor of Alaska and oil king of the United States?

Mr. Lang: Again, Mr. Speaker, without wanting to associate myself with a good deal of the remarks of the hon. member, I am happy to tell him that at least one member of the task force is in fact with the Prime Minister.

Mr. Woolliams: I wonder whether the minister would associate himself with the Canadian problem so far as petroleum is concerned.

Mr. Speaker: Order, please.

Mr. Baldwin: You need not all be shy.

HOUSE OF COMMONS

ATTENDANCE OF MINISTERS DURING QUESTION PERIOD

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the Acting Prime Minister. Can he tell us whether he is aware that on one occasion when one of his colleagues reported him to be in Toronto he was actually in his office and not in attendance in the house?

Some hon. Members: Shame.

[Mr. Woolliams.]

Mr. Speaker: Order, please. Certainly the question as asked is not in order.

Mr. MacInnis: I have a supplementary question, Mr. Speaker.

Mr. Speaker: The hon. member has, I hope, another question rather than a supplementary to one which was not in order.

Mr. MacInnis: If my question is not in order, may I rise on a point of order and ask the house leader to explain why situations develop such as the one in which the Minister without Portfolio reported that the Minister of Transport was in Toronto while he was actually in his office. This matter was raised as a question of privilege on another occasion. Why did the house leader report yesterday that the Minister of National Defence was accompanying the Prime Minister to Washington when that was not the case, as the presence of the Minister of National Defence here today makes evident?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, it was my understanding that the minister was accompanying the Prime Minister. If I was wrong, I apologize.

With regard to the earlier incident, my understanding was that the minister was on his way. It is as simple as that.

Mr. MacInnis: It seems to me that a few other ministers now owe us apologies. Does the fact that the minister is now apologizing mean he will get off free or drop his arrogant attitude?

Mr. Speaker: Order, please.

CANADIAN BROADCASTING CORPORATION

BRINGING OF JERRY RUBIN TO CANADA

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the parliamentary secretary to the Secretary of State. Would he seek an explanation from the Canadian Broadcasting Corporation as to why Mr. Rubin, who was prohibited from coming into Canada by the immigration authorities, was brought into Canada by that powerful creator of instantaneous electronic folklore, the C.B.C.?

Mr. Speaker: It seems to me that the hon. member is repeating in different terms a question which was asked on precisely this subject a moment ago by the right hon. member for Prince Albert.

Mr. Dinsdale: May I say with deference, Mr. Speaker, that the reason I am asking the question is that I heard the parliamentary secretary indicate that the first question had been directed to the wrong person. I am taking the opportunity now to ask for a reply from the right source.

Mr. Robert Stanbury (Parliamentary Secretary to the Secretary of State): Mr. Speaker, I am sure you will give the hon. member another opportunity tomorrow, which will be the next allotted day for directing questions to the Secretary of State.

GRAIN

CESSATION OF DAMP GRAIN DELIVERIES

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I direct my question to the Minister of Industry, Trade and Commerce. In view of the fact that the provincial co-ordinating committee on grain drying was told in Regina that all major line elevator companies are expected to cut off deliveries of damp grain before April 1, will the minister endeavour to have the elevator companies change this decision since, according to the same source, there are five million to ten million bushels of damp grain still to be delivered?

Mr. Speaker: Order, please.

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. René Matte (Champlain): Mr. Speaker, I should like to ask a question of the Minister of Transport.

With regard to the announcement made on March 21 of the appointment of Mr. Frank Lafferty of Ottawa, but a native of Quebec, would the minister tell the house whether this gentleman is a French Canadian or an English Canadian?

[*English*]

INDUSTRY

NOVA SCOTIA PULP LIMITED NEWSPRINT MILL

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, my question has a note of urgency and it is addressed to the Minister of Forestry and Rural Development or his parliamentary secretary. Can the minister tell the house whether negotiations have been completed with Nova Scotia Pulp Limited for a large extension of its operations at the Strait of Canso and the establishment of a new newsprint mill? If so, can the minister indicate the extent of the government's involvement through Devco and other federal agencies and programs?

Mr. Speaker: Order, please. The hon. member indicated in his preamble that there was an element of urgency. This was not apparent in his question. Perhaps he might consider the possibility of discussing the matter at the time of adjournment.

Mr. Corbin: Mr. Speaker, may I point out with all due respect that the note of urgency is very subtle.

PUBLIC SERVICE

GOVERNMENT ACTION IN CONTRACT NEGOTIATIONS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, yesterday I asked the Acting Prime Minister whether he could clarify the situation with regard to negotiations between the government and the Public Service Alliance. He took the question as notice. Perhaps he or the President of the Treasury Board may be able to answer my question today.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, the President of the Treasury Board is prepared to answer the question.

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, yesterday the question was asked whether or not the Treasury Board was engaged in stalling in relation to the conduct of negotiations with bargaining units represented by the Public Service Alliance of Canada. I should like to say that there is neither the intention to stall nor the practice of stalling on the part of the government. We are most anxious to negotiate and conclude agreements with all bargaining agents, including the Public Service Alliance of Canada.

I am sure that hon. members will understand that the government as the employer cannot agree to everything that the bargaining units are asking for. We are meeting on a continuous basis with them and we continue to meet with them with a view to negotiating agreements which are acceptable to both sides. This is what collective bargaining is all about. In fact, an agreement was signed just yesterday with the printing operations group. I should like to reiterate that we are not stalling, but rather are putting forth every effort to reach agreements.

Inquiries of the Ministry

Perhaps I should tell the house that we are meeting again with representatives of the Public Service Alliance of Canada this afternoon with a view to resolving our differences in respect of the two groups to which the president of the P.S.A.C. made reference, namely the administrative and foreign service category and the administrative support category. I understand that it is planned to have a meeting with representatives of the P.S.A.C. on Friday in a different kind of setting in order to sign an agreement covering a group for which the P.S.A.C. is the bargaining agent.

Mr. Stanfield: I have a supplementary question which I hope will not provoke another lecture on bargaining. Will the minister say whether in these negotiations the government is seeking complete freedom to require employees to work scheduled hours of shift work, as is charged, and is also seeking freedom to make changes unilaterally in working conditions, as is also charged?

Mr. Drury: The matter of the scheduling of work hours is under discussion and endeavors are being made to reach agreed schedules. In so far as rescheduling is concerned, this also is under negotiation.

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I wish to direct a supplementary question to the minister. Can he tell us whether the class of civil servants working in the old age security pension and family allowances services has received particular attention during the present negotiations or whether it will be studied later?

Mr. Drury: Mr. Speaker, I do not believe that old age security pensions are my department's responsibility.

[*English*]

Mr. Valade: Then I will direct my question to the minister responsible or, in his absence, to the house leader. Will he inform the house tomorrow whether employees whose old age pension or family allowances are affected will receive an adjustment in pay in the early future?

Mr. Speaker: Order, please. The hon. member is asking a question of a very general nature.

[*Translation*]

This question should normally be answered by a statement on motions.

[Mr. Drury.]

[*English*]

NATIONAL ANTHEM

INQUIRY AS TO USE OF "O CANADA"

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to direct this question to the Acting Prime Minister. In view of the fact that many people across the nation are concerned about what is our national anthem and that "O Canada", an anthem that has never received royal assent, is being used almost exclusively, does the Acting Prime Minister consider "God Save the Queen" to be our official national anthem?

Mr. Speaker: Order, please. I suggest to the hon. member that the question is not in order. He is asking for an expression of opinion on the part of the minister, so this question is not acceptable.

Mr. Noble: Mr. Speaker, may I say with all deference that I think people across the nation would like to have an answer to this question.

Mr. Speaker: I doubt that a reply at this time to the hon. member's question would resolve the situation.

[*Later:*]

REQUEST FOR LEGISLATION

Mr. Mac T. McCutcheon (Lambton-Kent): My question is directed to the leader of the house, Mr. Speaker. Does the government plan to bring in legislation regarding our national anthem, as recommended by the committee which made a unanimous report on this subject and, if so, when?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, it is hoped we shall be able to bring in a proposed resolution on this subject later this session. The remaining question to be determined concerns the copyright, and as soon as this has been cleared up we shall feel free to put forward a resolution for consideration by the house to place both the national anthem and the royal anthem, in both languages, on an official basis.

INDIAN AFFAIRS

REQUEST FOR SOLUTION OF PROBLEMS

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the hon. member for Port Arthur in his capacity as Acting Minister of Indian Affairs and Northern Development. In the light of the long delay in the introduction of the Indian claims commission legislation, in view of the refusal

to make up even a precis of the Stanbury-Fields taxation report, and in the light of the refusal so far to table certain correspondence with the provinces about the education of Indian children, as well as in the light of the delay—I could go on at some length, Mr. Speaker.

Mr. Speaker: Order, please.

Mr. Howard (Skeena): I could go on—

Mr. Speaker: The hon. member will not be able to go on throughout the question period.

Mr. Howard (Skeena): I did not intend to; the list is tremendous. I should like to ask the minister this question. Now that a certain obstacle has been removed from his way, could he proceed to clear up some of these long-standing questions before the other minister returns?

[*Translation*]

HOUSING

INQUIRY AS TO ESTABLISHMENT OF CO-OPERATIVES

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I wish to direct a question to the Minister of Transport.

In view of the constant increase in the interest rate and of the fact that the recent report of the task force suggested the establishment of co-operatives which later would become an investment bank for housing, could the minister tell the house whether discussions aiming to establish such co-operatives are being held?

Mr. Speaker: I think the hon. member's question should be put on the order paper.

[*English*]

VOCATIONAL TRAINING

RAIL FARE TO MANPOWER UPGRADING STUDENTS

Mr. W. C. Scott (Victoria-Haliburton): My question is for the Minister of Manpower and Immigration, Mr. Speaker. Will the hon. gentleman reconsider his department's decision not to pay students attending manpower upgrading courses their return fares to go home at Easter, in view of the fact that these students were given to understand, until this week, that such payments would be made, as they had been made at Christmas?

Mr. Speaker: I suggest to the hon. member that the question he is asking now relates to a matter which will be under debate in a few minutes.

COMMUNICATIONS

STUDY OF MEDIA OWNERSHIP BY HOUSE COMMITTEE

Mr. Steven E. Paproski (Edmonton Centre): My question is directed to the Minister of Transport, Mr. Speaker. Is it the intention of the government to refer the question of media ownership and operation to an appropriate house committee, similar to the Davey committee in the other place?

Hon. Paul Hellyer (Minister of Transport): There is no intention to do so at the moment, Mr. Speaker. I think it might be a duplication of effort at this stage. We shall follow with interest the investigation being carried out in the other place, and if the report of that committee indicates that any action is necessary, consideration will be given to it at that time.

Mr. Paproski: Will the policy of awarding cable television licences to publishing firms be reviewed, either by the appropriate committee of the house or by the government, in view of recent awards in this field by the Canadian Radio-Television Commission?

Hon. Donald S. Macdonald (President of the Privy Council): Perhaps I can remind the hon. member that, unless I am mistaken, the appropriate estimates are still under consideration by the Standing Committee on Broadcasting, Films and Assistance to the Arts. If he and other members wish to bring this question before that committee they might well consult the chairman and their colleagues on the committee.

[*Later:*]

REQUEST FOR STATEMENT ON INTELSAT DISCUSSIONS

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a question for the Postmaster General in his capacity as minister in charge of communications. Can he say whether it is his intention to make a statement on motions outlining progress made at the Intelsat meeting which has just ended and outlining in particular the position Canada took with regard to regional satellite systems?

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, I believe the Intelsat conference was fairly well covered by the press. The major outcome—

Mr. Speaker: Order. I suggest to the hon. member and to the minister that the only

sense in which this question could be accepted now is that the hon. member is asking whether a statement will be made. A statement should not be made at this time.

GRAIN

REQUEST FOR INFORMATION AS TO QUOTA

Mr. George Muir (Lisgar): I wish to direct a question to the Minister of Industry, Trade and Commerce, Mr. Speaker. In his recent talks with the industry and the grain trade, did the hon. gentleman receive an assurance that a six bushel quota would be reached by the end of the crop year?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, this was the position the Wheat Board took a number of weeks ago and I am not aware of any declaration changing it since then.

DELIVERY OF OUT-OF-CONDITION GRAIN

Mr. Ed Schreyer (Selkirk): Can the minister assure the house that he will make representations to the Wheat Board in an effort to get it to rescind its instruction on country elevator agents not to accept for delivery any out-of-condition grain after April 1?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Sometimes members on the other side want the Wheat Board to take action to control shipments. At other times they do not. I wish they would make up their minds.

Mr. Schreyer: Mr. Speaker, this is a question of privilege as well as a point of order. At no time did I suggest to the minister that I wanted changes in the quota system. I am simply asking whether any steps are being taken by his office in an effort to see that all farmers have an opportunity—

Mr. Speaker: Order.

MOVEMENT OF BOX CARS TO LAKEHEAD

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, since there is now no appreciable backlog of cars to be unloaded at the Lakehead or on the west coast, may I ask the Minister of Industry, Trade and Commerce to advise the house whether the railway companies have placed an embargo on the movement of box cars to the Lakehead from certain delivery points and, if so, whether his department was informed before such action was taken? If the minister was told about this proposal, what action has he taken with regard to it?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I have already read the first four lines of a letter I received from the Wheat Board. It continues as follows:

> The railways are, therefore, cutting back on the number of loads for the Lakehead so that there should not be an excessive number of cars under load. The grain which will be loaded for the Lakehead in the next two or three weeks will be from the Red River Valley, barley from Alberta which is required for sales commitments, and a limited quantity of high moisture grain.

The agencies involved are trying to bring to the Lakehead the quantities and kinds of grain needed in order to market and to keep the drying facilities operating. This is the kind of control the house has been asking for the last four or five months. Now that weather is helping it is being exercised and I hope there will not be too much complaint. In the Red River Valley there is a flood possibility, so the Wheat Board and the railways are anticipating this possibility.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—NON-CONFIDENCE MOTION—DEVELOPMENT AND RETENTION OF MANPOWER RESOURCES

Hon. Robert L. Stanfield (Leader of the Opposition) moved:

> That this house regrets that the government has not provided for the development and retention of manpower resources in Canada and, in particular, of student manpower resources.

He said: Mr. Speaker, there are literally dozens of subjects we could have chosen to bring forward on this day, one of those allotted to the Official Opposition, but we chose to discuss the development and retention of manpower resources in Canada and, in particular, of student manpower resources, not because we on this side have any dramatic new solutions to suggest nor because we expect any miracles from the government but because it is vitally important to make it clear to Canadians, and especially to young Canadians, that the parliament of Canada at least cares enough about this problem to devote a day to its consideration. Second, we have chosen this subject because we believe it is important to draw public attention to what we consider to be a failure of concern and a

lack of commitment on the part of the government in connection with an extremely important national problem. Third, we have done so because it is important to force the government through one of its ministers to make a statement of its policies and plans to develop and maintain manpower resources, especially student manpower resources, in Canada.

As I said in connection with a previous opposition motion this session, if we can succeed only in shaking the government out of its lethargy this allotted day will have been very well spent. Perhaps we may bring home to the public the urgency of the problem and in turn create sufficient pressure on the government so that a real manpower policy will attain the priority it ought to have in Canada.

• (3:30 p.m.)

In a country with Canada's population, at our stage of economic growth and in our competitive position, there is nothing more basic than the development and retention of manpower resources. This is the key to economic progress and to creative excellence, as well as the availability of the highest standard of professional services of all kinds.

The so-called brain drain is, of course, an old problem, but its present dimensions reflect the failure of this country to achieve potential growth—economic, technological and scientific. At the same time it deprives us of people who it must be assumed would have made a significant contribution to our growth and development. To the United States alone we have lost more than 214,000 Canadians in the past five years, and this despite certain job restrictions imposed by the United States government in 1965 and despite the selective service and draft laws of the United States. On the other hand, I am the first to recognize that there is a brain gain on the other side of the coin and that Canada is one of the chief beneficiaries. I could cite the percentages of doctors, engineers, architects and so on in Canada today who came here from other countries. The percentages are strikingly high in some cases, and I invite hon. members to look them up in Economic Council reports and other sources.

We in Canada have relied to some extent upon immigration for professional people, but there is nobody in this house, I trust, who would suggest for a moment that Canada can afford to lose young people in the numbers that have been emigrating from this country. Neither would anybody suggest, for example, that it is acceptable that some 30 per cent of our Ph.D.'s trained here leave for the United States. Indeed, the government itself has adopted the initiative undertaken privately several years ago by the Association of Universities and Colleges and is pursuing what is called "Operation Retrieval", designed to try to retrieve as many as possible of the 15,000 Canadians now studying abroad. Nobody will deny that this is a noble cause, but where are the careers in our own country for these people? In a month or so the government will be standing by watching how many of this year's graduating classes leave the country.

I should like to know whether the government has any idea how many have left. Have any studies been made of how many of this year's graduating classes are likely to be absorbed in Canada? If so, what policy conclusions have been drawn as a result of such studies? What are the projections for the next three to five years? Is there anyone in the government who knows or even cares?

I need not quote any authorities on the relationship between education and the development of our country; that vital connection is accepted by every member of this house. Surely the house is entitled to hear from the government what approach it is taking and how seriously and urgently it regards the problem facing us in the spring of 1969 and indeed in subsequent years.

I understand that some 88,000 students will be graduating from colleges and universities within the next month or so. On one campus after another in this country the story seems to be the same—fewer companies, fewer governments and fewer government agencies recruiting fewer people than last year. I am not going to go into the details; the situation seems to be clear. At Memorial university in St. John's there is a 10 per cent decrease in the number of companies recruiting their labour requirements; there are 15 per cent fewer at McMaster. And so it goes. There are fewer jobs available this year than last, with more students looking for them.

The size of the 1969 graduating class is apparently 20 per cent larger than last year—88,000 compared with 59,000. The number of post-graduate degrees being granted this year is increasing at an even faster rate than undergraduate degrees—7,800 last year compared with 6,500 the year before. These figures are continuing to increase from year to year. The magnitude of our losses will, therefore, increase from year to year unless some action is taken.

These people want to stay in Canada, and they are people Canada needs. Enrolments at our colleges and universities continue to grow. In the present academic year, 1968-69, I believe there are over 250,000 students enrolled at universities and colleges and another 178,000 enrolled at various other post-secondary institutions in the country.

I cannot conceive of any failure more glaring than our failure to use the services of Canadians whom we educate. We are failing to provide an opportunity for these people to remain in Canada to contribute to Canada's growth and development. In such circumstances we must be very dissatisfied with the course of our economic and scientific development. There must be something seriously wrong when a country like Canada, which is trying to develop rapidly and is borrowing large amounts of capital to assist it to do so, nevertheless appears to be unable to utilize the services of a very substantial proportion of the people we are training and educating in Canada. I suggest this indicates that there is something seriously out of whack in our country.

A related problem is the really bleak and depressing situation so far as summer jobs for students are concerned. It is difficult to get accurate information as to the number of students seeking summer employment. One hears figures ranging from 400,000 to 600,000 and higher. Certainly the figures for those who were not successful last summer are grim enough.

Unemployment generally in this country has risen since then and opportunities for students have been adversely affected. A couple of weeks ago the situation in Ontario was summed up in a news article in this way:

> An estimated 357,000 Ontario students will be competing for summer jobs with more than 100,000 other unemployed people this year.

The government of Ontario has, of course, appealed to employers throughout the province to make an extra effort. The federal Department of Manpower and Immigration is conducting, rather belatedly I must say, an advertising and promotional campaign. Despite the experience of last summer the problem has been allowed to lie until the eve of the closing down of schools without any attempt being made to develop a program to meet it. One of the basic root causes goes unattended, the lagging rate of economic growth which apparently is not even acknowledged—in fact, it seems to be denied—by the Minister of Finance (Mr. Benson) and the Prime Minister (Mr. Trudeau)

[Mr. Stanfield.]

who continue to say: "Everything is going according to plan; our policies are working well."

The fact about summer employment for students is that there are many families and students to whom the failure to obtain a summer job means the difference between these students continuing or interrupting their education. It is nothing short of tragic that the education of young Canadians should be allowed to terminate for this reason. Unfortunately, that seems to be happening. It is happening especially with many young married couples where either one or both partners are trying to continue their university education.

• (3:40 p.m.)

I suggest it is not enough for the department to buy advertising space in the newspapers a few weeks before the summer recess. There will be a drastic shortage of summer jobs for students for the second summer in a row, and the lack of jobs is bound to affect the educational careers of many young Canadians. The problem is likely to grow in severity. Therefore I and other hon. members want to know today what the government intends to do about the matter. What plans are being considered to increase or strengthen programs of student aid in the country to overcome difficulties which are likely to increase in severity? Has the government considered any changes? Has it any plans to meet with the provinces to discuss possible changes? These are questions to which hon. members are entitled to hear answers. Surely this is an area in which the federal government could obtain the views of the provinces and give them leadership.

The situation in Ontario, because of its size, is serious enough, but the problem is extremely intense in areas of the country with slower growth which can less afford supplementary programs to encourage summer employment of students. In those areas jobs are likely to fall particularly short of requirements. There, many of the students come from families earning lower than average incomes.

I need not dwell on the fact that Canada cannot afford to lose these people. In an open economy like Canada's we must export. We know that technologically based industries are accounting for an increasingly large share of world trade. We ought to know that in Canada we are still not developing a technology-based economy and the people to develop it rapidly enough. This point was made very directly in an article last Thursday

in the *Globe and Mail* by Fraser Robertson in which he said:

> —more and more our exports are increased by the development of our human resources rather than of our natural resources. Increased technology has played a large part in this. Even more important than the know-how is knowing what to do, that faculty of entrepreneurial creativity which has had so much to do with U.S. business success.

Quite apart from the question of economic growth, God knows this country needs all the ability, talent and dedication we can summon from our young people. We have in this country a host of social and human problems that require the attention, the ability and the work of young men and women whose training is in the humanities and social sciences and whose dedication is to the solutions of those problems. We need scientists and engineers who, hopefully, are concerned about the environment in which these problems may best be solved.

I wonder seriously what role the Department of Manpower and Immigration and its minister play in the formulation of government policies and in the consideration of problems of the kind I have been discussing. For example, and I think it is a very serious example, would the Minister of Manpower and Immigration and his department be consulted and have an important part to play in the decision to cut back the grants that were intended to build medical schools and train the medical and paramedical personnel the country will need to catch up with the present shortage and to meet projected requirements over the next few years? Were the minister and his department consulted? This, surely, is the type of decision which, while the matter is under the direct jurisdiction of the Minister of National Health and Welfare, should be subject to important and perhaps decisive advice from the Department of Manpower if that department is doing the proper job it is being asked to do.

I wonder whether the Department of Manpower is at all concerned or was ever consulted about the cut-backs in scientific projects supported by the government of Canada. Was the Department of Manpower in a position to advise the government as to the probable loss of scientists because of the cancellation of the ING project or the Queen Elizabeth observatory? More generally, and I think this is more important in the long run, is the department in a position to assess the effects in terms of scientific manpower of the uncertainty and confusion surrounding the federal government's science policy generally? To me this is the proper concept of a manpower department. The Department of Manpower ought to cut across every department of government and every policy of every department of government. Having made its own assessment of the manpower requirements of the country in the various fields, projected over a period of five, ten or more years, the department should have an opportunity to advise cabinet as to how every important policy of government or of any department is apt to affect our manpower resources and their potential. I regret to say that it appears that under this government the Department of Manpower is given a back seat. It appears that the minister is given an inferior status and that in the main he is accepting it.

What is of most concern is not that a problem exists. Rather, it is that there appears to be almost no awareness and almost no concern on the part of the government about our problems or the urgency of our problems which show every sign of growing more severe. What is most depressing about all this is that there is not a shred of evidence that any thinking about this problem is being done by the government. No thinking seems to be devoted to it; there is no planning and no real concern.

It is almost unbelievable that this government came to power last June with the support of so many young people in Canada. It is certainly astonishing that these urgent problems should have such a low priority with a government elected on the slogan of involvement and participation. What amazes me is that the hopes of our younger people and their genuine desire to do something meaningful in their country were cast aside so cynically by the government once it was safely back in power. Not only is the employment situation extremely difficult this spring, but nobody in the hierarchy of the just society seems to be interested any more. The government has not come up with any new programs to deal with this emergency. It has not even fully enacted or implemented the old programs.

On November 13, 1967, the parliament of Canada passed Bill C-150 entitled, "an act to establish a Canada Manpower and Immigration Council". That council was to consist of a chairman and not more than 15 members appointed by order in council. Among other things, the duties of that council were to advise the minister on all matters pertaining to the effective utilization and development of manpower resources in Canada. Under that legislation the minister was also to establish

four advisory boards, the chairmen of which were to be members of the Canada Manpower and Immigration Council. Those advisory boards were on adult occupational training, adjustment of immigrants, co-ordination of rehabilitation services for disabled persons, and manpower and immigration research. When he introduced the bill and commended it to the House of Commons for support the then minister of manpower and immigration, who is the present Minister of Regional Economic Expansion, said:

• (3:50 p.m.)

The hon. members will note that the role of the council is in no way restricted or limited. Its job will consist in advising the minister on all matters pertaining to the efficient use and development of manpower resources in Canada, including immigrants and their integration into Canadian life. I consider myself fortunate in that I can bank—and the same goes for the officials of the department—on the wise counsels of those Canadians who act outside the department. It will facilitate the drawing up of an efficient program to develop an ever greater awareness in management of the ceaseless transformations in manpower needs across the country.

Indeed, the former minister of manpower and immigration told the house that he regarded it as a matter of urgency that the bill establishing the Canadian Manpower and Immigration Council be enacted. The bill became law in 1967 but to date not one appointment has been made so far as we are aware. Last November 14, when the Minister of Manpower and Immigration (Mr. MacEachen) appeared before the standing committee of the house. the following exchange took place:

Mr. Caccia: In December 1967 the Canada Manpower and Immigration Council Act was given assent. Has the minister any intention of implementing that act by appointments to the various councils proposed in that act?

Mr. MacEachen: Yes, Mr. Chairman. We in the department have spent considerable time recently considering how best these councils could operate and be of maximum benefit to the department and to the country. I think we have it pretty clearly in our minds how we think they ought to operate. We have already canvassed major organizations in the country for suggestions as to possible persons to fill these council positions and we hope soon to be able to get it in operation. So we are getting ahead with it.

There is just no excuse for the delay in setting up this council. The concept of such a council is a good one. It would, as the former minister said:

—facilitate the drawing up of an efficient program to develop an even greater awareness in management in the essential transformation in manpower needs across the country.

[Mr. Stanfield.]

Such a council, if the minister ever gets around to appointing it, will help to involve concerned and interested people in all sectors of Canadian society. It would keep the minister, the department and the government in touch with developing needs and opportunities. In short, it would do something to improve communications between the department and the people of Canada. It is high time the government and the minister roused themselves from their lethargy and set about to implement this piece of legislation passed by the previous parliament in December, 1967. No public announcement has been made in this regard. In this day and age I am sure it will seem absurd to many Canadians and many hon. members, as it seems absurd to me, to have to say that on a subject as vital as this the policy-making apparatus in this country suffers from a lack of information.

No one disputes the importance of keeping qualified young Canadians in the educational stream. This, one would think, is something of a national priority. In this age of computerized information retrieval systems, can anyone in this house tolerate the statement put out under the name the Minister of Manpower and Immigration last December 9 in answer to a written question under the name of the hon. member for Winnipeg North? Allow me to refer to page 3647 of *Hansard*. It is clear that the minister said that the department keeps a record of their successes but not their failures. I quote:

A record of student placements was maintained separately from other placements of a temporary nature from July 25 to September 11, 1968. During this period 13,131 students were placed in employment.

The minister did not give any information as to how many students were unemployed. This is not proper statistical reporting. This is propaganda. I do not believe that the Minister of Manpower is really to blame in the sense that he instructed the department to maintain only sufficient statistical information to form a half truth, to maintain statistical information which for all practical policy-making purposes is useless to the government and the house. I do not believe that the Minister of Manpower contrived it that way. At least I prefer to think that he would not and did not. He does have constitutional responsibility as the minister responsible for that department. I tell him quite bluntly that if he has to knock some heads together in order to come up with valid statistical information he should do so without delay.

We have enough problems with some of the statistics fed to us by other ministers without having the Minister of Manpower, who heads a relatively new department and is alleged to have some professional competence in the field, getting into the bad habits of some of his colleagues. I hope that one of the important purposes this debate may serve will be to receive from the government authoritative information that the government is willing to stand by.

Does the government accept the figures put forward as to the seriousness of the summer employment situation? Does the government accept the figures put forward with regard to the recruiting taking place on campus for permanent jobs? What figures can the department put forward as to the number of students who can be placed this summer? How many graduates does the government project can be placed in permanent jobs? Has the department any statistical information as to the number of students who, without summer employment, will not be in a position to continue their education? Is there any attempt to give some priority to these more needy individuals in placing applicants for summer employment?

Based on the projected number of graduates for the next five years and the anticipated rate of economic growth in Canada, what does the government expect in terms of percentage of graduates who can be absorbed within Canada? Based on these projections, what changes, if any, are planned in the student aid programs? What consultations are being held between the federal government and the provinces? These are questions that require serious answers and I hope a spokesman for the government will obtain and provide these answers later today.

The outlook, Mr. Speaker, is one causing increasing concern. There is a serious failure of policy in a developing country like Canada when we are unable to utilize effectively students graduating from our universities, colleges and technical institutes. This is a serious symptom which indicates something is seriously wrong with our development policies and programs. We must be seriously concerned about the loss of talent. It is a serious situation when students whom we wish to encourage to remain in school to continue their education and training find it necessary to drop out for economic reasons. This represents a failure of policy and a great cost to Canada. It is completely unacceptable that we in this country at this stage of our economic, social and scientific development should turn out record numbers of students for whom there appears to be no adequate use in Canada. That, I suggest, is unacceptable.

• (4:00 p.m.)

Mr. Speaker: Order, please. I apologize to the Leader of the Opposition for interrupting him but his time has expired.

Some hon. Members: Carry on.

Mr. Speaker: The hon. member has unanimous consent of the house to resume his remarks.

Mr. Stanfield: I thank you and the house for this courtesy. Mr. Speaker, I will simply terminate my remarks by saying that this situation is unacceptable. So too is the failure of any policy that results in capable young Canadians having to interrupt or end their education because of economic circumstances.

I am sure the house and the country will listen with great interest to the views of the appropriate minister on this important subject. I trust the minister will inform the house as to the information available, as to the efforts the government is making to get the necessary information, and as to the steps the government is taking with regard to measures of consultation with the provinces. Unless the minister can indicate that plans are going forward and unless he can give some satisfactory explanation with regard to the failure to establish consultation, then having regard to the government's failure to take satisfactory and urgent measures to meet the problems I have outlined I would ask the house to vote in favour of the motion:

That this house regrets that the government has not provided for the development and retention of manpower resources in Canada and, in particular, of student manpower resources.

Certainly, Mr. Speaker, there seems to have been a most abject failure, and we await an explanation from the minister.

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I am going to approach the subject raised by the Leader of the Opposition (Mr. Stanfield) from a somewhat different tack. Before doing so I would like to remind the house that the problem of full utilization of our manpower resources is scarcely new, even to this session of the house. It has been raised a number of times by spokesmen for the New Democratic Party, most recently by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) who moved on March

13 that the house adjourn under Standing Order 26 to discuss the high level of unemployment. At that time he referred to the national disgrace that is the case in Canada when we maintain a national average level of 6 per cent unemployment, which reaches as high as 10.5 per cent in the Maritimes. As I say, the point is not a new one to parliament, but we in this party welcome the opportunity provided by the Leader of the Opposition to discuss it in a very serious way today.

There are a number of causes for unemployment in Canada both in general and in its seasonal aspects. First of all, we have had regional poverty in terms of human skills and geographic factors which have existed for a number of years. These are contributing factors to the problem right now, and neither Conservative nor Liberal governments in the past did anything in a serious way to deal with regional unemployment and poverty. Now, however, there are some encouraging signs that the new Department of Regional Economic Expansion may try to come to grips with the problem.

The second important factor is the dominant role in the Canadian economy played by unregulated, unrestricted private enterprise, not simply traditional private enterprise but one characterized in the consumer production sector by foreign ownership. Incidentally, I would pause at this point to wonder out loud what the Leader of the Opposition would propose to do with this sector of the economy.

The Leader of the Opposition very appropriately referred to the serious situation in Canada where, for example, we lose highly trained Ph.D. students to the United States. But what he did not mention was that one of the important reasons for this is that most of the really serious research and development work in the North American economy is done by firms in the United States which, to a considerable extent, have branch plants in this country but do their major research in the United States, and therefore our competent, ambitious, serious research-oriented students end up with the parent firms. The obvious solution, and it is not an easy one, is to break away from the branch plant economy which we have established in Canada. This means taking very seriously the Canada Development Corporation and a number of proposals put forward in the Watkins report. But the Leader of the Opposition and his party have given no more encouragement to this kind of development than has the Liberal party.

[Mr. Broadbent.]

Government policies themselves are a third important factor in the maintenance of high levels of unemployment. For a period of some 15 years we have had extraordinarily high levels of unemployment, particularly since it must be remembered that we are one of the advanced industrial countries of the world. One of the main reasons for this, agreed to not only by economists supporting my political party but by economists found within government departments, is that governments in this country, whether Liberal or Conservative, have usually dealt with inflation by having policies deliberately intended to create unemployment. We are, of course, experiencing that kind of situation today, and during the past few months a number of speakers from this party have made serious comments on it.

I wish to refer now to students and to the factors causing some of the immediate problems faced by students whether they are in universities or in other post-secondary institutions in Canada. One of the causes is that there are certain long-run technological trends at work. Automation is now doing many jobs in institutions which were formerly left by the companies to be done by students during the summer months.

A second reason is that there has been a fortunate expansion of the trade union movement into new areas, and trade unions quite rightly and understandably want to give preference to unemployed workers in industries where unions have a footing. This means that if a student is looking for a job and a worker is looking for a job the trade unions will certainly give preference, in terms of their contract negotiations, to the unemployed worker. This is both understandable and justifiable.

Another factor contributing to student unemployment is the post-war baby boom to which the Leader of the Opposition referred. Canada is in a unique position right now in the industrial world in having the highest annual percentage increase in young people entering universities and the labour market, and therefore the government is confronted with a serious temporary fact which is not likely to recur in the future. This is not to say that the government is coping with it in any adequate way. In this respect it is interesting to note that the D.B.S. statistics for January reveal the fact that 13 per cent of the unemployed in Canada are between the ages of 14 and 19.

• (4:10 p.m.)

What, then, are the solutions or at least what is the program which would contribute to a solution? First of all, I should like to suggest something that might be done in the very near future. I refer to the establishment of what might be called a young Canadian service program or, to follow current government practice of describing by letters, we could call it the Y.C.S.P. Apart from the name, which of course has no real importance, what I and my party have in mind in respect of such a program is the mobilization for public service significant numbers of university students during the summer months for needed social, educational and other like kinds of work both in Canada and abroad. There are many kinds of work that could be performed in underdeveloped countries and in the poverty-ridden areas of our own country by the highly motivated and highly talented young people in the universities.

In this regard my party would favour that students volunteering for such a program should have their tuition paid by the federal government at whatever post-secondary institution they may be attending and, second, that the federal government would provide for such students a modest monthly living allowance both during the summer months when they are working either at home or abroad and during the school term. This would mean, of course, that the amount paid by the government would vary from university to university depending on the fees in the particular case and from province to province depending on the living standard. I emphasize that there are two important aspects of this. We suggest to the government that it is important to promote among our young people the kind of activity while they are still students which would involve a genuine public service both in respect of the Canadian public and the public in those countries which are undergoing economic development. This would be done not by escalated or exaggerated salaries but by modest ones. Canadian and American experience in this field shows there are thousands of young people who would readily make themselves available if the government would show some serious initiative.

What we need in order to deal with unemployment, whether student unemployment or unemployment in general, is a policy the long run effect of which is intended to remove the persisting 5 per cent or 6 per cent level of unemployment. To say the same thing in different words, we need a program which is intended to maintain high levels of employment throughout the year.

One of the central requirements of such a long-run solution is to remove the dominant power in our economy possessed by the modern corporation. We must, in short, broaden the role of the government; we must expand the public sector. I am not suggesting we should make the public sector or the government sector all-pervasive or completely dominant. What I and my party suggest is that the government sector must be significantly expanded.

Let me say something briefly about the nature of the modern corporation and explicitly about some of the myths concerning private enterprise which are still believed by leading spokesmen of the other two parties. First of all, the modern corporation does not function in a classical laissez-faire economy at all. Every economist, whether in the western or communist world, now recognizes the oligopolistic nature of our economy. There is no significant price competition whatsoever. Second, the modern corporation generates from within itself its own capital. It is no longer dependent in the main on the money market to obtain capital.

It has been estimated that 70 per cent of all the investment capital in Canada comes directly from within the enterprises themselves. They do not have to go outside. What does this mean for an industry operating in, as I say, an oligopolistically oriented economy? This means in effect that industry in this kind of economy obtains its investment funds directly from the people who buy their products. This means, of course, that Canadians pay corporations in a sense what has been called by Professor Taylor of McGill University "development taxes". But it is important to note that Canadians in this respect have no say whatsoever concerning the level at which these taxes should be. That is to say, they have no effective say concerning what the prices should be because they are regulated by the companies themselves. Nor do they have anything to say concerning how the profits are to be used by the corporations. We have in effect, then a system of taxation without representation.

What are the corporate purposes and practices? The main purpose, of course, is to maximize their profits over a number of years. They no longer plan their profits in respect of one or two years but rather in respect of ten or 15 years. They have no

real interest in overcoming regional economic disparity or high levels of unemployment and other things in which the public would like to see them take a general interest. To achieve their purpose they spend billions of dollars to encourage an economy almost completely based on private consumption for its economic viability and, of course, they spend billions to try to develop the idea through advertising that the infinite consumer is likely to be an infinitely happy man, which is psychologically damaging for people.

What I believe is most relevant to the debate this afternoon is that these corporations through all their contacts and power discourage public spending, government spending of any sort. Any increase in the government power is discouraged. This is done, of course, because it would follow that if more of our capital is influenced or guided by government decision-making the dominant role of the corporations in the economy necessarily would diminish. It is worth pointing out some of the areas in which they do not want any public say. They do not want anything to be said about pricing, about investment, about buying and, of course, about any increases in taxes. At the same time the corporations are very eager to have special tax holidays, quicker write-off policies and, of course, lucrative research and development contracts especially if they are in defence-oriented industry because they do not have to repay them.

What are some of the effects of this kind of economy? First, social goods as opposed to consumer goods receive almost no attention in terms of capital investment. This means we have fewer schools, hospitals, urban renewal projects and social security schemes. A second item which is more relevant to the debate this afternoon is the serious effect of the government's counter-cyclical policies. Right now we are cutting back on expenditures in every government department instead of increasing them as we should be with our high levels of unemployment. We are doing this in the public sector only because of the pervasive influence of the corporations.

• (4:20 p.m.)

I believe a very meaningful question to ask would be why we should be discriminating in favour of the private corporation. If there comes a time—not the present—when a cutting back in investment is required, what is necessary from a socially equitable point of view is to have a government that would make important decisions about priorities. The government should have some say whether we need more gas stations at a particular time, more office buildings, investment that will produce a new multi-coloured television set, and so on. If we are going to cut back, the government should have the right, and indeed should assume the moral responsibility to cut back on what may be regarded at a particular time as unneeded additions and developments in the private sector. It follows from this that it should have the right and moral responsibility to say we will not cut back in certain important public sectors. Indeed, even if it is a time of inflation we may want to expand seriously certain public programs because there is a serious public need for them.

It is for this reason that the New Democratic Party recommends the kind of shift in governmental orientation that neither the Conservative nor the Liberal parties as they are currently constituted could possibly support. We want meaningful implementation of the Carter report. We do not believe, as is often suggested, that we can provide all kinds of programs and get the money out of the air in some mystical fashion. We say we could start making a meaningful shift in the investment of money. We could start shifting it in a serious way from certain private sectors into the public sector. This is not making money out of nothing. It means also that where there is a needed increase in taxation we should take seriously the proposals made by able and knowledgeable people such as those who produced the Carter report.

It also means that if we want to shift away from the branch plant kind of economy to encourage our own research and development and the employment of Canadian graduate students in Canada, we should take very seriously the recommendations of the Watkins report. This, again, is something that neither of the other two parties seems at all interested in doing. It also means that we should set up a prices review board which will deal in a meaningful way with the corporate power structure and will not allow corporations which are not at all responsive to market demands to, in effect, tax the Canadian people year after year by increasing prices at will.

Finally, the New Democratic Party is firmly convinced that it is necessary to start guiding the investment funds collected by our insurance companies. This means either indirect controls by stipulating in advance that a certain percentage of their funds must go into

housing or other socially desirable objectives or at certain times must not go anywhere if we are dealing with inflation, or if the insurance companies will not co-operate and cannot be dealt with in any way it may mean that the complete responsibility for insurance funds should be taken over by the government.

Mr. Deputy Speaker: I am sorry to interrupt the hon. member but I must draw his attention to the fact that his time has expired.

Some hon. Members: Carry on.

Mr. Deputy Speaker: Does the house agree that the hon. member should continue?

Some hon. Members: Agreed.

Mr. Broadbent: Thank you, Mr. Speaker. I shall conclude very quickly. I am suggesting that we need a totally new reorientation of our priorities to deal meaningfully with unemployment. We must shift from an overwhelmingly privately owned and controlled consumer-oriented economy toward one which is concerned with important public priorities. Only by obtaining this kind of leading influence over investment policies can we achieve a program of year-round, full employment which is really essential and is the most meaningful way of dealing with student unemployment which occurs in the summer.

Therefore, I move, seconded by the hon. member for Winnipeg North (Mr. Orlikow):

That the motion be amended by changing the period at the end thereof to a comma, and by adding immediately thereafter the following words:

"because of its reliance on the unplanned private sector and its failure to emphasize the role of the public sector in promoting the full utilization of all our manpower resources".

Mr. Deputy Speaker: The question is therefore on the amendment. Is the house ready for the question?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I listened with attention to the speech made by the Leader of the Opposition (Mr. Stanfield) in support of his motion and to the speech and subamendment of the hon. member who has just resumed his seat. I welcome the interest in the manpower activities of the government, and especially this opportunity to outline some of the activities of the Department of Manpower and Immigration in this field.

I have in my hand a report prepared in 1965 by the Organization for Economic Co-operation and Development on manpower policies and programs in Canada. In that year the O.E.C.D. conducted an intensive study of manpower policy and programs in Canada. The conclusions of that independent body were extremely complimentary to the role Canada had played in the development of manpower policies. Of course, since that report was prepared the new Department of Manpower and Immigration has been established, existing programs have been strengthened and expanded, and some new programs have been undertaken.

The motion of the Leader of the Opposition expresses non-confidence in the government because it has failed to provide for the development of manpower resources in general in Canada and has failed to provide for the development and retention especially of student manpower resources. I must say that I am somewhat surprised at the motion and the selection of this subject matter as a basis of seeking non-confidence in the government. It seems to me that this government and its immediate predecessor have been more heavily committed to the development and potential of Canada's manpower resources—

• (4:30 p.m.)

Mr. Orlikow: This is just talk.

Mr. MacEachen: —than any previous governments since confederation. The commitment is clear, pervasive, substantial and expensive. It is not a new dedication or a new commitment. It was outlined by the then Prime Minister, Mr. Pearson, in 1965 and 1966 and it has resulted in programs, in legislation and in expenditures that have been approved by parliament that make Canada one of the leading nations in the world in the development of our manpower resources. To suggest that we have been reluctant and hesitant, that we have been lethargic and indifferent in this field, is to fly in the face of facts in view of the very heavy expenditures that are being carried by the taxpayers of Canada in support of the substantial manpower programs.

It is inevitable that any modern government would take this attitude because we realize, as does this motion, that the development of the human and manpower resources of any country is closely linked not only to the satisfaction of the individual but to the growth of the national economy, the increase in productivity and, of course, the reduction

in unemployment that is caused by lack of skills.

I am surprised at the condemnation inherent in the motion. I welcome the recognition in the motion of the importance of the development of human resources to Canada's future. I doubt that one could find in Canada today a sizeable group of people who would contest the theory that the development of manpower resources is one of the keys to national development. We acknowledge its importance and value, and we have presented programs. We welcome this opportunity to have the programs criticized and to have ideas brought forward on how these programs can be improved.

At the same time we should recognize that there is something the Leader of the Opposition failed to mention, at least to any extent, while he dealt almost exclusively with the student aspect of manpower resources, which is an important aspect but not the only one. The Leader of the Opposition spent almost his full time talking about the necessity of development in this field which is under provincial rather than federal jurisdiction. We are being constantly reminded in this house, and frequently elsewhere, that education is a provincial responsibility and that schools and universities are under provincial jurisdiction. We recognize this, which is something that the Leader of the Opposition failed to mention, and we do not take the view that the federal government has no interest in the results produced in the provinces, nor are we unwilling to help the provinces carry out responsibilities in this field.

With regard to the student aspect of manpower development, it might be a good idea to consider exactly what the federal government is doing and what the parliament of Canada has been asked to do from time to time. One of the most important ways in which the federal government contributes to the development of our manpower resources, particularly for youth, is through fiscal transfers that it makes to the provinces of behalf of their costs of post-secondary and university education. As hon. members realize, federal support of universities has been a continuing feature of Canadian policy in the post-war period. All of us recall the difficulties of the former method of assisting the provinces or the universities and how frequently the amounts provided were criticized.

In 1967 new legislation was introduced which broadened, vastly expanded and changed the nature of the federal contribution to post-secondary education. As hon. members know, that contribution now takes the form of a fiscal transfer to the provinces on a basis that is intended to recognize the escalating cost of post-secondary education and at the same time preserve the independence of the provinces in the field of education. Just last year the federal expenditure on this account was $400 million. This fiscal year it amounts to about half a billion dollars, and next fiscal year it may exceed $600 million. That seems to me to be a rather substantial provision made by the parliament of Canada for the development of manpower resources in the country, especially of the young people.

I wish to say a word also about the Canada student loan plan which is also part of the general program of development. This plan makes it possible for an increasing number of young Canadians to have access to post-secondary education. When the plan was first introduced in 1964 it was by far the largest single source of student aid in Canada. Since then provinces have added to the sources of student aid, but nevertheless the Canada student loan plan still provides a very substantial portion of the student aid available in Canada. In 1964-65, $27 million was authorized under the Canada student loan plan, and this figure has grown to $58 million in the last academic year. It is expected that $70 million will be authorized in 1968-69. In fact, to meet the rapidly growing demand for loans the federal government is asking parliament to increase the allocation of the amount which provinces may authorize under the plan.

The importance of the Canada student loan plan may be seen not only from the over-all funds authorized but also from the number of students it assisted. In 1964-65 loans were authorized to some 40,000 students, and during the present academic year the number of students assisted may reach 100,000 in Canada.

The cost of this program to the federal government consists mostly of interest paid on behalf of students and also of the payments made to the province of Quebec as an alternative to the student aid program. The federal cost this year will be about $10 million and may rise to $15 million in two years' time.

Federal-provincial co-operation has been excellent in this field and it has provided very effective job aid throughout Canada to students who want to go to university. So in the field of post-secondary education and in

the field of student aid we have very substantial programs to assist the development of Canada's youth.

• (4:40 p.m.)

The Leader of the Opposition spoke a good deal about the problem of student unemployment. Of course it is a problem which is evident. It arises from two sources. It arises from the post-war baby boom as a result of which students are now entering universities in large numbers. It arises also from the larger numbers of students who are going to universities in this day and age. It was serious last summer and it may be as serious, or more serious, this summer. We were aware of it last summer when we took special steps to meet it. As a matter of fact, the Canada manpower centres have been making special provision for student employment all along. They were engaged in special programs when they were known as national employment service offices.

Last year, when the number of students looking for summer employment exceeded the normal seasonal growth of job opportunities, the department moved quickly to co-ordinate and intensify all its activities on behalf of students. This was done by launching a jobs for students campaign. It was a modest start at a cost of $75,000, but it produced encouraging results. The campaign was designed to encourage Canadian businessmen, trade unions, government authorities, mass communications media, community organizations and householders to give all the assistance they could to help students find jobs.

It should be evident to hon. members that it is not within the capacity of the Department of Manpower and Immigration to create jobs. The work of the department is to gauge the number of jobs which exist in the labour market and to bring the greatest possible information to bear on the situation. The purpose of the advertising program last summer was to get students to use the facilities of the manpower centres and to induce employers to use those centres and take on additional students where possible. In an effort to assist, my department last summer hired 100 students to help the regular staff in the manpower centres in their effort to match students looking for work with available opportunities. I think they did a good job. It was a short campaign and it was over quickly. It enjoyed wide support. Provincial youth departments and agencies, chambers of commerce, service organizations, merchants and construction associations all aided in varying degrees.

During the period of the campaign between July 25 and September 30, more than 13,000 student placements were made. We do not know how many would have been placed in the absence of our campaign, because this is information which it is impossible to obtain, but during the period of the campaign we did place the number I have mentioned and this has encouraged us to believe that a similar campaign this spring and summer will be of value. It is not easy to determine the number of students who will be looking for work this summer but our estimate at present is around 367,000, some 10,000 more than last year.

The Leader of the Opposition referred to our advertising campaign for summer student employment and said it was begun too late. Well, if I remember correctly, it was begun early in February, and surely if it started any earlier its effect would have been dissipated long before the summer season arrived. As a result of our experience we have tried to make this year's campaign larger and more effective. We have undertaken an extended program of national, local and regional publicity, using all media and aiming primarily at potential student employers. The campaign started some time ago and will continue during the summer. We have budgeted about $250,000 this year for this advertising program. I think that is a substantial sum to put out for such a definite and specific purpose. We are seeking to encourage potential employers to identify the summer jobs which they have available, or can create, for students, and make sure that these jobs are brought to the attention of our manpower centres so that we can refer students to them. In addition, we hope to employ some 335 students in the department across Canada to assist in this program.

The Canadian manpower centres are, thus, actively searching for job opportunities and making a special effort to urge as many employers as possible to find jobs for students. In addition, we are taking steps to ensure that students looking for work are registered with the manpower centres. In this way we hope to make sure that the centres are the focal points for both students and employers. Moreover, the departmental officers in each of the five regions have been appointed to act as regional co-ordinators in connection with summer student employment. All in all, this represents a large task force, especially when one considers that there are over 300 Canada manpower centres or offices from coast to coast.

As I have already mentioned, the department itself will be hiring some 335 students to help organize and run the campaign. We have also been active in attempts to enlist the co-operation of other agencies which are concerned with this question. My officials have been meeting, for instance, with the Association of Universities and Colleges of Canada which is urging its members to create local committees to help improve student employment possibilities. A number of these committees have been established in various parts of the country and we welcome the self-help efforts made by the students themselves. It is my hope that through working with these committees and other bodies more will be learned about student employment. Through surveys and the analysis of our own records we hope to find out more about the student experience on the labour market.

Statistics about placements are useful, but it is my view that students do not want just a job. They want work which is socially useful and challenging. I have discovered through my meetings with students that it is not just jobs they want but work which has some social meaning to it—tasks which are related, somehow, to the development of the country or the provision of some social service. The hon. member for Oshawa-Whitby (Mr. Broadbent) referred to this aspect of student employment when he suggested we might embark on a program to enlist students in socially useful activities. This is something we have under consideration as a means not only of providing jobs and incomes for students, but also the kind of work which has a socially meaningful content.

• (4:50 p.m.)

For example, some time ago an hon. member referred to the fact that the department had authorized, as it has for some years, the bringing in of labour from the Caribbean under the agricultural program. It is true that we have authorized this seasonal movement of agricultural workers into Ontario. If the same number is reached as in former years there will be about 1,200 black workers from the Caribbean coming to work in the province of Ontario.

The question has been asked: Why do you not retain these jobs for students? Aside from the fact that these jobs are important to the economy of the Caribbean as well as important to the growers who want a segment of the labour force that is experienced, this summer about 160,000 persons will be required for the agricultural labour force in the province of Ontario. Thus there will be ample opportunity for students who want to take on this kind of work. In our manpower centres we are going to make it a point to give students first chance to take on these jobs in the agricultural areas of Ontario. We believe this will provide large numbers of students with the opportunity of adding to their income as well as taking part in this industry in the course of the summer months.

Aside from possibilities along these lines there is still a demand among the young people of this country for jobs that are socially meaningful. It is difficult for employers, both in government and in private organizations, to provide meaningful jobs on a short term basis during the summer months when such activities usually require supervision over a period of time. However, because it is difficult is no reason for not attempting to do so.

Mr. Hales: Would the minister permit a question on bringing in help from other countries? Does he not think that Canadian students should be given the first opportunity to fill these positions? Rather than bringing in people from other countries for these jobs, could they not be made available to Canadian students?

Mr. MacEachen: I have been trying to deal with that question. There are quite a number of interests involved here. As I recollect the situation there will be a requirement for about 160,000 seasonal workers in agriculture this summer in Ontario. The movement of workers from the Caribbean will likely reach about 1,200 workers. So the opportunities that can be made available to Canadian students will not be seriously reduced by workers from the Caribbean, and we must also bear in mind the importance of this movement to the governments of these countries.

In concluding this aspect of my remarks about summer employment for students I should like to say we are very concerned about the problem. We have undertaken a very intensive publicity and organizational campaign. We have encouraged other government departments to hire as many students as possible this summer, and we are urging the private sector of our economy to review their priorities and to make a special effort to create jobs for Canadian students. It may be a very long and hot summer in Canada.

I believe a successful solution to the unemployment problem as far as the students are concerned does not rest exclusively with the

Department of Manpower or the federal government but requires the co-operation of both the federal and provincial governments. In this regard I am delighted to see that the province of Ontario is undertaking a special campaign along these lines. I hope other provinces will do likewise and that private employers will co-operate so that we will be able to create the largest possible number of openings this summer. This will enable all young Canadians who want to work to do so before returning to their university careers in the fall.

I want to say a few words about the question of retrieval or retention. The Leader of the Opposition gave the impression that Canada was doing badly in regard to the brain drain. I should like to begin my comments on this subject by mentioning what must be evident to all of us, namely, that we are living in a world of great mobility. National boundaries are becoming, so far as people are concerned, less and less important. Young people in Canada who want a career in the United States, or who want a university education either in the United States or in some other country, cannot be kept here by force of law. They can be kept here, it seems to me, only as a result of freely deciding to remain as they calculate the attractions that the future in this country has for them.

This is not to say that the department or the government should not take an active interest in this field; we have been doing so, as I want to point out. Nevertheless, if Canada does lose people from time to time, as the Leader of the Opposition mentioned, it is also the beneficiary of persons coming to Canada from other countries. If I recollect correctly, last year Canada brought within its boundaries about 1,200 trained medical practitioners; at least, 1,200 persons came to Canada who will find a place in the medical profession either immediately or later.

Mr. Hales: How many are still here?

Mr. MacEachen: I do not have any figures showing how many have left. But more than 10,000, perhaps close to 12,000, refugees were brought to Canada from Czechoslovakia, a high proportion of whom were professionally skilled. While Canada was moved by humanitarian reasons, we certainly gained in the acquisition of skills and education by welcoming these people. It is not a one-way street in this regard. It so happens that Canada is losing on the one side and gaining on the other.

I think Canada is improving on its performance in this respect. In the Department of Manpower and Immigration there is a special program in effect which has been described as "Operation Retrieval".

Mr. Deputy Speaker: Order. I am sorry to interrupt the minister but his time has expired.

Some hon. Members: Carry on.

Mr. Deputy Speaker: Does the house give unanimous consent?

Some hon. Members: Agreed.

Mr. Broadbent: Mr. Speaker, I realize the minister has limited time but would he do me the honour of dealing with some of the questions I raised before he concludes his remarks?

Mr. MacEachen: I hope I have been demonstrating to the hon. gentleman that the policies of the government have already anticipated his amendment. All the programs I have been mentioning are really efforts in the public sector to develop manpower resources. I have also referred to the hon. gentleman's proposal having to do with a special corps of young people. Before I finish I hope to speak about other subjects. If the hon. member wishes to ask questions at the end of my remarks, I will do my best to answer them.

• (5:00 p.m.)

Mr. Broadbent: Mr. Speaker, would the minister care to comment on the central thrust of my argument, which is that we need to shift the balance of investment? We need to invest much more in the public, productive sector of our economy, and the shift must be away from the private sector.

Mr. Jamieson: Is the hon. member referring to the automobile industry?

Mr. MacEachen: If I had statistics with me here I am sure they would demonstrate to my hon. friend that this shift has been going on and undoubtedly will continue to do so. We are concerned not only about developing resources in Canada. We also want to retain in Canada the resources we have and we want to stem the drain of highly qualified workers to the United States in particular.

With this in mind we have, since 1966, taken over the organizing and full financing of a continuing program internationally known as "Operation Retrieval", the specific

purpose of which is to help Canada to retain her educated young people. The operation has two objectives which are, first, to keep Canadians studying at universities abroad informed about economic developments at home and job opportunities open to them here and, second, to ensure that they are as actively considered for these openings as they would be if they were resident in Canada. In carrying out this program the department has worked closely with the Association of Universities and Colleges of Canada, the Public Service Commission, industry, and other interested organizations.

Prior to the program Canadians studying at foreign universities were not actively recruited for employment in Canada. Canadian business, universities and government showed little interest in them. But that has changed. As the *Financial Post* reported on March 16, 1968:

> Because of the Department of Manpower's "Operation Retrieval", many of these students are likely to get job offers from Canadian employers.

In a nutshell, "Operation Retrieval" functions as an honest broker between Canadians studying abroad and employers in Canada who need highly trained manpower. It is a bridge which permits employers in Canada and Canadian scholars abroad to communicate with each other to their mutual benefit. For example, early in 1967, at a cost of about $60,000 it set the pattern for its subsequent annual operations by sending six teams made up of academics and other professionals to 35 universities in the United States, Britain and Europe to speak with some 900 Canadian students who attended the scheduled meetings. It distributed to students abroad some 7,000 copies of a directory of employers and job opportunities available in Canada and provided prospective employers with some 4,000 resumés listing the names and individual qualifications of Canadian scholars abroad who had asked "Operation Retrieval" to help them find jobs in Canada. As a result, Canada manpower centres made some 6,000 referrals to employers.

Since then the program has continued and expanded. In the 1967-68 academic year 742 Canadians studying abroad asked "Operation Retrieval" to distribute their resumés to 2,500 employers who were then participating in the program. During the current academic year the teams completed their visits to United States universities last fall. As a result some 1,000 students have asked the department to distribute their resumés to some 2,700 employers currently involved in the scheme.

Canada does well and has recently been doing much better both in retraining Canadians at home and in attracting educated and skilled foreigners from other countries. Traditionally our brain influx from other countries has much more than made up for our brain drain to the United States. Recently we have also been doing much better with respect to the United States. Emigration from Canada to the United States fell from about 50,000 in 1962-63 to 35,000 in 1966-67. Immigration from the United States to Canada rose from 12,000 in 1963 to 19,000 in 1967 and to 20,000 in 1968. Our net deficit with the United States has thus fallen from about 39,000 in 1963 to about 16,000 in 1967. I am not suggesting, Mr. Speaker, that this result is entirely due to "Operation Retrieval". Nevertheless, I think hon. members will be pleased to know that our performance in this respect generally has been improving.

Mr. MacInnis: You are admitting a lot of draft-dodgers.

Mr. MacEachen: I doubt very much that the source my hon. friend has alluded to is a major one. I have been talking for quite a long time, Mr. Speaker, and have devoted myself entirely to the student aspect. I have talked about post-secondary education aspects affecting students, approvals with respect to the student loan fund, the summer employment problem and "Operation Retrieval". I would not wish to conclude my remarks without referring to the development of our manpower resources in the adult labour force. I am sorry the Leader of the Opposition did not pay some attention to our adult labour force. I know our students are important—we all understand they are important—but the adult Canadian labour force is also important, especially since it is made up to some extent of persons who have been passed by in earlier educational opportunities that may have been available and who in their later life have had to pick up the threads again. They are taking up the threads again either by taking upgrading courses or educational training.

Mr. Valade: Will the minister permit a question? Before leaving the subject of student employment could he inform the house of the number of students in each province who will be seeking employment this summer? I believe he gave up a total figure of 360,000 students seeking employment all across Canada. Could we have this figure

broken down, province by province. Also, is there any provision under which needy students coming to the department for assistance will be given preference over students from wealthy families in seeking employment?

Mr. MacEachen: I do not have the statistics or the breakdown for our provinces, but I will try to obtain them. To reply to the hon. member's second question, C.M.C. does not conduct means tests to determine in any job placement whether a student comes from a needy or a wealthy family. We do not have instruments at our disposal. The suggestion has been made that in job referrals we ought to consider needy students first. It has been suggested that students coming from well to do or influential families find it easier to get jobs than those coming from poorer families. We have not considered in the department whether it would even be possible to take this factor into account.

Mr. Schreyer: Will the minister permit a question? He has just said that in his department there is no administrative machinery to conduct means tests and to determine whether students come from poor or wealthy families. Does the minister not agree that under the student loans program the administrative authority may determine whether a student is needy?

• (5:10 p.m.)

Mr. MacEachen: Yes, I agree this may be possible under the student loan program. This is one of the suggestions that has been made. A person, for example, with an obligation under a student loan might be given preference. We have this under consideration. It is a fact that it is some indication of need from a student point of view.

I want to say a few words about occupational training for adults. The federal manpower training program had in 1968-69 the best year in its history. In the fiscal year which is coming to a close the program enrolled some 430,000 adults, 301,000 of them on a full-time basis. Relating these enrolments to the population, the Canadian program, apart from the retraining program of Sweden, is the largest program of its kind in the world.

The program started from very modest beginnings only a few years ago. In 1961-62, under the federal Technical and Vocational Training Assistance Act, the program enrolled only 26,000 unemployed persons. The numbers of unemployed receiving training have been growing steadily. In 1967-68, the first year of the occupational training for adults program, the enrolment of the unemployed rose to 196,000, and in the current fiscal year the program will serve some 246,000 unemployed workers. In addition, the program caters to many thousands of apprentices as well as employed workers taking full-time training in industry or part-time training in the evening.

The increased effort of the federal government in the development of our skilled manpower in the last few years is dramatically expressed in financial terms. In 1961-62 the federal government spent a mere $18 million on all training programs combined, many of them catering to young people of school age. In the current year the federal government expects to spend $197 million, all of it for the benefit of adult workers. This is 11 times as much as eight years ago.

I wanted to make this point because I think we ought to maintain a certain balance in the development of our manpower programs. There has to be a balance between the young people and the adult members of the labour force. We believe that this additional expenditure not only indicates that the proper emphasis is being given to the adult training course but that the money is being more effectively spent and is yielding even greater benefits than ever before. We tried to gear our training to the unemployment situation this winter. In January of this current year there were about 30,000 unemployed persons in training. That is rather good from my point of view.

Mr. Benjamin: May I ask the minister a question with regard to the retraining of unemployed? Are instructions or policy directives sent to the staff in the manpower offices regarding those who wish training for an occupation in which it is felt there are no job opportunities? Do they refuse to accept such applications?

Mr. MacEachen: We try to provide training for job opportunities. We do not see much point in spending a lot of money to train a person for a non-existing trade or occupation. We try to gear our training to job openings that are current or near-current.

The Leader of the Opposition made one or two comments. He referred to the manpower and immigration advisory council. I certainly think it was appropriate for him to mention the fact we have not yet appointed a general advisory council. Nor have we appointed the

four subsidiary bodies or boards that operate in conjunction with the advisory council. I could have taken action on this series of appointments, but I wanted a full representation of all organizations on these boards. I am still waiting for one very important organization to make its nominations. I hope when that is done this council and advisory body will come into operation.

I think that all I have had to say, Mr. Speaker, has demonstrated rather clearly that the government of Canada has provided for the development of manpower resources in this country. Our program of manpower resources stands up well in comparison with that of any other country in the world. We have shown interest and attention to the problems of our youth and have provided aid to the students themselves. Their employment problems are real and significant. Upon consideration, the opposition house leader, acting for the absent Leader of the Opposition, might agree to withdraw the motion.

Mr. Baldwin: The minister will need a much more convincing argument than he has given us today.

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I am very pleased to take part in this debate on the motion introduced by the Leader of the Official Opposition (Mr. Stanfield). Before proceeding may I say how pleased I am to see the minister in the house, fully recovered from his illness. I wish him well in the future so far as his health is concerned. It is good to know that he is alive and well.

I have always admired the minister's facility with words. To use an old expression, he can charm a bird out of a tree. Unfortunately, Canada's critical unemployment situation requires more than honeyed words, and the minister's responsibility is to find jobs for Canadians, not for the birds. I was amused to hear him say a few moments ago it is not a federal responsibility but a joint responsibility. How he has changed! I can recall that when he sat in a certain section of this chamber he and his colleagues always insisted that unemployment was the responsibility of the federal government.

The minister has been very wordy. However, no matter how many words are employed to slough off responsibility or to cover up the Department of Manpower's obvious inability to cope with current unemployment problems, the hard and brutal fact remains that there are close to half a million Canadians out of work today. Much has been made by the government of the fact that this year's mid-February unemployment figure of 6 per cent is below last year's figure of 6.4 per cent for the same period. But this sort of thing will not impress the 473,000 Canadians who are unemployed. Nor will it impress many Canadians who wonder why this country should tolerate a high rate of unemployment in the midst of affluence and plenty.

• (5:20 p.m.)

It would be interesting to hear further from the minister's own lips the reason that his new and modernized department has been so unsuccessful in coping with the problem of providing jobs for Canadians. When this department was set up we were assured that it would make Canada's labour force mobile, skilled, and flexible enough to overcome the old difficulties created by seasonal unemployment and regional recessions. So far the department and the minister have been indistinguishable from the old Department of Labour and the minister's predecessors in office.

It is good, Mr. Speaker, to see that the minister is alive and well. This house has seldom had the pleasure of seeing or hearing the minister since the last general election gave us a new Prime Minister (Mr. Trudeau) and a reshuffled cabinet. In the old days scarcely a day went by but the minister was on his feet, spreading wisdom and reassurance on the troubled waters of the house. Indeed, he spoke on almost every conceivable subject and seldom felt confined by his own particular portfolio.

How things have changed! Today we hardly ever see him and almost never hear him. His name is absent from the press that once knew it so well. The air waves are silent in regard to him and his department, despite all that happened at the leadership convention of the Liberal party. Perhaps it is the new system of rotation of ministers that has clipped his wings. Or perhaps it is the new system of cabinet discipline that has been imposed by the iron hand of the Prime Minister. Some hon. members across the way laugh at that, but it is not unusual to hear certain individuals on the government side say, "Boy, he is the boss, and that is it. You must not step out of line or you may lose your portfolio." At the moment I am not looking at the Minister of Manpower and Immigration when I say that. Whatever the fact may be I hope that before we come to the end of this debate the minister will give us the benefit of his views. He has

already spoken for a long time but, frankly, his speech was nothing more than a lot of words with some statistics. I hope he will give us the benefit of his views frankly and honestly, bereft of propaganda.

I believe that the most important thing this motion does is to focus attention not only on the government's failure to provide jobs for Canadians but on the obvious lack of co-ordination in the workings and policies of various governmental departments, and on the daily economic havoc being wrought by this lack of organization and purpose. I have in mind in particular the dramatic widening of the economic gulf between various regions in Canada. We have just been debating the setting up of a new department to deal with this very problem of regional disparity, but even while we have been doing so the problem has been allowed to grow unchecked to mamoth proportions. That is what I meant when I referred to the lack of co-ordination between departments and the lack of organization and purpose.

The unemployment figure with which we are all most familiar is 6 per cent. But we should remember that this figure is the national average for the whole country. The real picture escapes us until we break it down into its regional components. For instance, while the national unemployment figure stands at 6 per cent of the labour force, in the Atlantic region, an area that comprises four of Canada's ten provinces, it is an appalling high of 10.5 per cent, and I dare say it is away above that in the province of Newfoundland. The figure for the province of Quebec stands at 8.4 per cent. Yet in Ontario and on the prairies unemployment is moderate, standing at 3.9 per cent for each area. In British Columbia it is 6.6 per cent.

These figures give a more stark and shocking picture of what unemployment means to Canada than does the national one of 6 per cent. These figures indicate that to those who have more will be given, and from those who have not more will be taken away. This is the very essence of the grave national problem of regional disparity, a subject which was introduced at the recent federal-provincial conference by the Premier of Nova Scotia and which had not even been thought of prior to that by the federal government.

Until the Minister of Manpower can translate his theories into fact and provide the training and mobility for Canadian workers promised by the government of which he is a member, regional disparity will continue to sap our national strength. Regional unemployment, which is tangible proof of regional injustice and regional inequalities, is a cancer furtively eating away at the economic body of Canada. We cannot be an entirely healthy nation in an economic sense until we can do better than to have 66,000 out of 626,000, better than one-tenth, of the Atlantic labour force unemployed.

If such conditions were general it might be a different story. But while the Atlantic region, Quebec, and to a lesser extent British Columbia, are staggering along with a tremendous burden of unemployment, Ontario and the prairies are relatively well off in this regard. The disparity between regional unemployment rates is like a hurricane or a holocaust of fire that creates a tremendous suction, drawing everything into the centre and exaggerating an already bad situation. If this disparity continues, skilled workers and highly trained graduates from the Atlantic region and from Quebec will continue to be sucked into the central areas of greater opportunity at an ever-increasing rate and in ever-increasing numbers. This may be excused on the ground of the working of immutable laws of economics, but it can never be excused from the point of view of national development, national unity or national prosperity.

When we consider that the majority of our gravest problems are direct outgrowths of regional disparity we can see plainly the absolute necessity to develop a balanced economy and a balanced national life. Regional disparity is a curse in many ways. It is the mother of strained federal-provincial relations, of a whole series of financial problems, and contributes in no small way to our difficulties in relation to national unity and national progress. To achieve this balance ways must be found to check the flow of bodies, brains and brawn from the have-not to the have regions. Somehow we must make the far pastures of Ontario and the prairies appear less green. By this I do not mean that we should deceive anyone. I mean we must make it economically more attractive to stay in our own backyard. Certainly we can never demonstrate this with unemployment figures as they stand today. No amount of words such as we heard from the minister this afternoon, no amount of eyewash, can persuade anyone from the Atlantic region, where the unemployment rate is 10 per cent, that it is a better spot economically than Ontario where the rate is only 3.9 per cent.

In this regard one of my particular concerns is for our student population, both those who will be graduating this year and those who hopefully will be returning to university in the fall. This group embraces many thousands who depend on the few dollars they can earn during the summer months to enable them to go back in the fall. At the rate we are going at present a great many students will not be returning in the fall because they will not have the money.

• (5:30 p.m.)

This year's graduates are trained and ready to find permanent places in Canada's labour force. But by all indications from university placement officials, industry, and even the Department of Manpower the outlook for them is bleak this year. As far as I can perceive nothing has been done by the minister or his department to prepare adequately to meet this problem. They have shown no awareness that I can see that these young people, highly trained, highly skilled, enthusiastic and dynamic are one of the country's richest natural resources. If they cannot find a place in our national scheme of things they will look elsewhere. Who shall blame them? The gain of the United States or of Europe will be Canada's loss. Last but by no means least, we have students who depend upon summer employment in order to continue their studies. Literally many thousands depend upon summer employment to further their career. I am speaking now particularly of university students, but this also includes many at the secondary school level. I believe this area of employment for graduates and students should have priority within the department of manpower at this time. If nothing is done within a few short weeks the damage done as a result of student unemployment will be irreparable.

It is for the reasons on which I have touched in my remarks that I support this motion with fervour and conviction. I believe it can be truly said that this government has failed utterly to capitalize on our national manpower resources and has irresponsibly endangered the careers of countless young Canadians who would normally have every right to expect a smooth transition from the long years of learning to the laying of a career foundation.

This government has failed to discharge its responsibilities to the older generations of Canadian workers and most particularly to the people of Canada's "have-not" regions. The minister of manpower comes from, I would suggest, the most depressed rural area, a county which was used for the purpose of a study by the commission which studied poverty in Canada. He, above anyone else, should know how serious and how terrible unemployment is in the Atlantic region. I hope he will take his responsibilities seriously and not change his song or theme from what it was a few short years ago when he said that unemployment was the responsibility of the federal government.

[Mr. Muir (Cape Breton-The Sydneys).]

Mr. Charles L. Caccia (Davenport): Mr. Speaker, the motion before us today is broad in scope. Speakers from the other side of the house who have expressed their views so far have proceeded to make a series of criticisms in respect of things the government has failed to do. At the same time, they have outlined the problems. The problems have been defined by various speakers, yet in the course of the debate so far members opposite have produced very few suggestions in the way of solutions. I always thought the function of any opposition to be to demonstrate to the government and the people of Canada that it has better solutions, better ideas and better means to arrive at certain goals in our society.

The Leader of the Opposition, who drafted the motion, included in his motion a reference to students and concentrated his remarks on students for almost the entirety of his speech, as if the manpower of the country consisted of students alone. Where are the labourers, where are the semi-skilled, where are those who have a skill which is becoming obsolete; are they not important? Where are the migrants and immigrants and those who need rehabilitation and need mobility programs; are they not important? They have not been mentioned by the Leader of the Opposition.

Whatever suggestions the Leader of the Opposition has put forward can be indicated in two points. First, the department ought to cut across every federal department in order to co-ordinate and play a greater role whenever there are cut-backs or changes in governmental policies which affect manpower and employment. In other words, he is telling the department to intervene every time another department wishes to reduce certain programs in an attempt to reduce government spending. If this is what the Leader of the Opposition means, how does he reconcile this with his concern about inflation and the speeches he has made concerning increasing governmental spending? Surely, there is a

contradiction in terms here. Secondly, he was critical in respect of the failure to create an advisory board according to the legislation which was introduced in 1967. Well, we certainly need advice. As the Minister has indicated, the consultations are now coming to a conclusion. Apart from these two points, however, there is nothing which has come from the benches across the way which has added to the knowledge, experience or the policies which exist at present and which are being carried out in this country.

It is interesting to note that after the speeches are made and the criticism is levelled, those who have made the speeches disappear from the house. This would not seem to indicate any interest on their part in knowing perhaps what the position might be of the government responsible for the present state of affairs. The hon. member for Oshawa-Whitby (Mr. Broadbent) took an entirely different position. I wonder how realistic he is about the present shortage of employment opportunities in suggesting a shift in governmental orientation. Our Minister has already indicated that this shift is in existence. If he wants an acceleration whereby the government would intervene, carry out and direct more of the activities of private enterprise, then apparently so far the Canadian people have not indicated they share the same opinion and his views are not realistic in terms of providing a solution during the life of this parliament.

The other solution the hon. member for Oshawa-Whitby put forward was the creation of a young Canadian service program. While this perhaps is something which has a future, the question which might be asked is, how many students could and would take advantage of a scheme of this particular type? Here again, the member of the New Democratic Party completes his statement about Manpower policies without making any mention of whether within Manpower policies there is a need for a program relating not only to students but also to the many other segments of the Canadian population which are immediately in very acute need of assistance because of increasing automation in our society.

The hon. member for Cape Breton-The Sydneys (Mr. Muir) developed certain generalities. He has also disappeared immediately afterwards. He produced a certain number of well-known clichés on the subject. He spoke about the lack of co-ordination between departments which is something that is as old as the existence of any government. He spoke about unemployment statistics which we all know. He spoke about regional disparities which are also quite familiar to us and about housing on which there has been a comprehensive debates for the past ten days. But where are the alternatives, where are the proposals which would reflect the half hour of concern and criticism of the policies of the government as expressed by the Leader of the Opposition? It would seem that the opposition has no alternatives to propose. It would seem that the opposition is in a position to describe problems but is not in a position to improve upon existing policies. This seems to me to be a state of bankruptcy of ideas.

• (5:40 p.m.)

If we look at the present and see what we have, I submit that we are a most fortunate country to have a manpower department. Not many countries of the western world have such a department. We are fortunate that we do have a policy and specific plans and programs such as the mobility program which is endeavouring to bring Canadians to jobs. We are fortunate in that we have programs such as O.T.A. which is endeavouring to keep people up to date with the changing industrial environment and enable people to develop necessary skills.

This is what we have at present. In my opinion, it reflects a great deal of foresight on the part of those who in past years took the initiative and produced the legislation we have on the statute books. This was not the result of the efforts of hon. members opposite. While we find comfort in the fact that we have worth while programs for the Canadian people in this respect, let us look to the future and see what can be expected then. At least those of us on this side of the house look to the future to see whether we can further improve the programs we have, whether we can perhaps one day arrive at a time when Canadians will not only be brought to jobs but when jobs will be brought to Canadians whether they are living near the sea coast or in the mountains of this country. This would be a highly desirable ultimate goal to achieve one day in order to maintain an even spread of the Canadian population from coast to coast. While it is not possible today, we all hope it will be possible in a few years.

We look forward to several things which will improve our ever-changing industrial requirements. We look forward, for instance, to the development of manpower resources which one day, perhaps before the turn of the

century, may even be called the development of human resources, because this is what it is all about. "Manpower" is perhaps a rather narrow term. It refers to man as an economic and productive unit. But with the reduction of the number of working hours in the week it is quite possible that the next generation in this house will not only be speaking about manpower resources but about Canadian human resources. This will be for the good, I submit.

We also look forward to better resolving some difficult areas in relation to manpower. For instance, there is the question of rehabilitation of those who have been injured at work, the whole question of the services to be made available to people who have to learn a new skill because of an accident at work. These men who are usually middle aged, who have a modest education or perhaps none at all, are at a stage in life when they must adjust to a new physical condition, a new environment and again become the breadwinner of the family. This is a question which probably affects several thousand Canadians from coast to coast.

I cite another example, Mr. Speaker. We look forward to the development of new techniques in the training of immigrant tradesmen, immigrant technicians and professionals in order that they may make a more rapid adjustment to Canadian methods so their abilities may be absorbed into our industrial environment at a faster pace without the loss of talent, without underemployment and so forth.

We look forward to amendments to the Adult Educational Training Act. Amendments may be necessary as we gain experience through the years, as we realize certain weaknesses and can see that certain improvements can be introduced; for instance, with reference in particular to the three-year waiting period required to become eligible for training after having left school unless one has dependants to support. Other amendments may also be necessary.

We look forward to the role of Canada manpower centres in large urban communities. This is a role which perhaps can be expanded, made broader than it is at present, in which these manpower centres would reach out into the neighbourhood. A number of services could be generated from these centres. We have over 300 centres from coast to coast and their potential is substantial. They could be made the focal centre of the communities when it comes to searching for jobs, obtaining guidance counselling and other services.

We look forward to new pilot projects. One was completed just recently in the city of Toronto for the training of labourers during the winter in order to make them more flexible and adaptable to the requirements of their industry. This was a very successful training scheme and it might set the pattern for future ones. We look forward to experimenting in the field of tradesmen training, particularly those who come from overseas and for whom there is a very great demand. These people have to adapt to provincial laws and requirements.

Finally, Mr. Speaker, we also look forward to learning from those countries which have progressed even further than we have. We look forward to gaining from them experience and techniques which may be adapted to Canadian conditions. These are the things we would like to add to the context of this debate. We would like to hear proposals and suggestions as to how this program can be improved. Where are the ideas from members of the opposition? They have criticized. Let them not limit themselves to outlining the problems. That is the easiest approach. Let us hear from them what they would do if the responsibility were theirs.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, the hon. member for Davenport (Mr. Caccia) has challenged us on this side of the house to propose some concrete ideas and suggestions to the minister and the department. I intend to do just that. I do not regard it as a particularly difficult assignment inasmuch as the Department of Manpower and Immigration has been in operation now for a few years and in my opinion has made mistakes in the administration of the legislation passed by this house. I also believe there are serious flaws in the existing manpower legislation. I have in mind in particular the Occupational Training for Adults Act, to which I shall refer in some detail in a few minutes.

By way of introduction, I say that Canada is fortunate in not being one of those countries which faces a crisis in the sense that it has a serious problem of underutilization of manpower. There are some countries, even in the so-called western industrialized world, that have facing them imminent prospects of almost a civil insurrection because there exists in the ghettos of their bigger cities a large pool of unused, unemployed and underemployed manpower allowed to waste away

with each passing year. Canada does not have this kind of problem in those dimensions. That does not mean that we are being over critical or are in any way exaggerating when we say that the problem of rising unemployment in this country is becoming serious and that the minister must show more initiative in grappling with it.

• (5:50 p.m.)

As other hon. members have pointed out, the rate of unemployment in this country has increased over the past several months and this is reflected in particular in terms of the projected unemployment rate for students during the coming summer months. It may be that the Minister of Manpower and Immigration (Mr. MacEachen) got some satisfaction out of twitting the Leader of the Opposition (Mr. Stanfield) for showing a preoccupation in his speech with the particular aspect of unemployment facing students this summer. Whether or not it gave the minister any satisfaction, the fact remains that even last summer the problem manifested itself in that a large number of young people were very concerned. We understand that this summer the problem will be worse.

But in the interval between last summer and now, the minister gave no indication of any specific new ideas as to what to do to cope with the problem. I cannot accept the minister's suggestion, which he made about half an hour ago or so, that the idea advanced that certain students should be given assistance in job placement on the basis of priority according to need is not feasible because his department does not have the administrative machinery to do it. I suggest that that argument is very weak because my understanding is that there exists at the present time at the federal level administrative machinery for assessing student needs with respect to applications for student loans, and it has worked. Why cannot that machinery simply be made available to the Department of Manpower and Immigration to assist students in finding jobs this summer, the next summer or whenever the need arises? That is one specific suggestion which I put forward in response to the challenge from the hon. member for Davenport (Mr. Caccia).

The second suggestion concerns the matter of the educational training of adults. I think the government should admit now that it made a mistake at the time of the passage of the bill and ask this house to pass amending legislation to remove those clauses in the act which are a serious obstacle to all young people who, upon leaving high school and enrolling in different courses of manpower training, find they are not eligible for manpower training allowances. The transitional period of three years specified in the act is entirely too long and entirely unjustified. I can recall so well the words uttered in the house, at the time the act was passed, by my colleague the hon. member for Winnipeg North (Mr. Orlikow). He said that this was a most unwarranted section which would cause much difficulty and unhappiness to many young people. This is also my experience as a member of parliament trying to deal with case problems brought to me by young people having difficulty in qualifying for manpower training allowances.

I have another suggestion which I should like to put forward, and I invite the hon. member for Davenport to help me in making representations to the minister and to other members of the cabinet to get rid of that obnoxious section in the act which provides for the occupational training of adults. This would be another small, concrete and tangible step toward helping to ease the problem of unemployment and of manpower training in this country.

I also think the minister is well aware of the fact that under the present provisions of the act a hardship is experienced by people enrolled in manpower training courses in that when their instructors go on holiday no matter when that may be, no matter what the financial circumstances of the trainee may be and no matter how many dependents he may have, the person in training has his allowance discontinued. It can happen at the most unexpected time and in the most inopportune circumstances. I believe some action should be taken by the minister to change this. This is a second section of the manpower training policy and of the legislation that should be changed in my opinion.

The third suggestion I should like to make is that, as may be expected, when some people choose the courses that are offered under manpower training which make them eligible for a training allowance, they find that the range of courses is limited or does not suit them. They may then enroll in courses that go beyond 40 or 44 weeks or that are of 52 weeks duration. They may find that it is better for them, in the long range, to enroll in a course that may be of two years duration at an institute of applied arts or an institute of technology, but the moment they enroll in a course that is of a longer duration than one year, which is effectively 44 weeks, they

cease to be eligible for manpower training allowance. I suggest this is an outmoded restriction of provision in the act.

Mr. Speaker, before you rise I suggest that I will be able to conclude my comments on this motion in three minutes, unless some hon. members object.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Schreyer: I suggest this is an outmoded section in the existing act having to do with occupational training of adults and should be revised.

I also want to suggest to the minister that upon analysing some of the manpower training courses that are being offered, and watching them as they are operated and administered in the field, I find there is an unacceptably high ratio of administrative costs to the total cost of the program. It seems to me that the department would be well advised in helping people to learn jobs in a context that is meaningful, that is on the job. The department should give more emphasis and should promote greater utilization of manpower training funds for on the job or in the plant or on site training programs. There has not been too much success over the past two or three years in promoting this kind of training program.

I want to say also that I agreed with the hon. member for Cape Breton-The Sydneys (Mr. Muir) when he suggested that the present manpower and immigration policy did not seem to take adequately into account the regional discrepancies that exist in this country. The department should be prepared to show a greater regional bias in order to help in the process of reducing regional disparity.

• (6:00 p.m.)

I am reminded, for example, of the fact that our Canadian immigration policy is administered under regulations which do not take any account of regional differences in demand for labour. Often, one finds the department applying these regulations in a strict way, even though in a particular region such as the prairies there may be a strong demand for labour. People from other countries may have made application to go to the region which is short of labour, but as far as the Department of Manpower and Immigration is concerned one would never know the situation in that particular region was different from that existing in central Canada, for example.

[Mr. Schreyer.]

In conclusion may I say this: as I understand the motion proposed by the Leader of the Opposition (Mr. Stanfield), the suggestion is that the government has failed to provide not only for the adequate development of manpower resources but also for their retention. If the Leader of the Opposition is referring to the so-called brain drain, I suggest that one reason for the existence of this phenomenon is this: the government has demonstrated in recent weeks that it has no co-ordinated policy in connection with science research.

It is not hard to understand why so many of our young graduates in science and in engineering find it frustrating to remain in this country when there are so many more opportunities available for them in the United States. Until the minister can persuade his colleagues to take a more co-ordinated view of science research policy many more young people will migrate to take up employment elsewhere, finding that Canada does not offer them sufficient opportunities in this regard.

It is not difficult to support the intention of the motion moved by the Leader of the Opposition, or, for that matter, the amendment proposed by my hon. friend from Oshawa-Whitby (Mr. Broadbent). Like my hon. friend, I believe that if unemployment is on the increase it stems from the lack of an adequate rate of growth in the economy. The government must involve itself to take up the slack in areas where private enterprise is failing to sustain the desired rate of growth.

MESSAGE FROM THE SENATE

Mr. Deputy Speaker: I have the honour to inform the house that a message has been received from the Senate informing this house that the Senate have passed Bill C-155, an Act to provide compensation to farmers whose agricultural products are contaminated by pesticide residue, and to provide for appeals from compensation awards, with an amendment to which the concurrence of this house is desired;

Also, a message informing this house that the Senate have passed Bill C-157, an Act to regulate products used for the control of pests and the organic functions of plants and animals, with an amendment to which the concurrence of this house is desired.

It being six o'clock I do now leave the chair until 8 p.m.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—NON-CONFIDENCE MOTION—DEVELOPMENT AND RETENTION OF MANPOWER RESOURCES

The house resumed consideration of the motion of Mr. Stanfield and the amendment thereto of Mr. Broadbent.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to make a few comments on the medical manpower shortage in Canada today. There are two sources of supply for Canadian doctors; first, the Canadian medical schools, and secondly, immigration. Canadian medical schools have been graduating the same number of doctors yearly for about 20 years. There has been an increase in the population of Canada during that time of over four million, roughly 25 per cent. This fact alone means that the shortage of doctors has increased to the same degree.

Immigration registration statistics in Canada show that we were registering up to 600 doctors per year who were trained elsewhere than in Canada. Nearly 100 per cent of these doctors registered were from countries that were financially poorer than Canada. Some of them came from countries themselves desperately short of doctors, such as India and Pakistan where the average is one doctor for every 7,000 people. I wonder about the moral principle involved in taking doctors from countries where they are woefully short and where their earning capacity in one year is much less than the monthly salary here. Some of these countries are poor in resources of nearly all kinds, and I wonder whether this is a good way to extend foreign aid. India and Pakistan are scraping and saving and saving in order to educate one Doctor out of every 7,000 through medical school, which is the pitiful few that they can finance.

The Minister of Health and Welfare (Mr. MacEachen) thought that we were fortunate in having the assistance of 1,200 immigrant doctors every year. I suppose, carrying that idea to its logical conclusion, that we should get all these doctors to emigrate by sending them the money, because they are trained a lot cheaper in India than in Canada. In that event there would be no need to keep increasing medical school registration to keep up with the demand for doctors.

I noticed that the minister conveniently omitted from his address any mention of how many of these immigrant doctors were licensed to practise. I observe the minister looking at me now and perhaps he can answer that question for me. He might have it at his fingertips, I do not know. As far as I can see the greatest number in any one year has been under 600, but if the minister has the answer I shall be very glad to hear it.

Again, I am given cause to wonder whether it is morally right to take doctors from underdeveloped countries. According to Dr. John Hinchey, one of our very brilliant surgeons and a Fellow of the Royal College of Surgeons, Montreal, in an address given to the committee on health of the Senate and House of Commons, we gain 400 to 600 doctors each year from foreign sources. However, the quality of what we gain does not match the quality of what we lose, and for obvious reasons. I think that is an answer to the minister. Dr. Hinchey said we lose, on average, 200 doctors a year to the United States simply because we will not provide in large measure the facilities for research. It is general knowledge that the United States spends 10 times per capita what we spend on research.

The minister may argue that it is not necessary to have a realistic financial commitment on the part of government to medical research in Canada because, as I have heard it argued, with the rapid transmission of information we benefit from new developments and discoveries in the United States. I think it is a little ridiculous to expect a Canadian surgeon to read a paper that describes heart transplants and artificial heart valves, and then to carry out an operation involving such techniques.

Over and over again, Mr. Justice Hall is quoted on medicare. He pointed out that there cannot be and that there must not be any question of conflict or priority between the needs of better education and good health. The costs involved in providing an enlightened program of medical care and supporting the educational needs of Canadians cannot be thought of as a burden. This money is an investment, and the yield is remarkably high. We must not fall down on the provision of medical care to the Canadian people.

It may not be well known that Canada lost one hundred million man days of labour through illness two years ago. This is the latest figure I have. This cost the economy

over $1,630 million. How much would an adequate medical care program have saved our economy by making available medical assistance in the early stages of such illness? I have heard experts state perhaps one half.

A most significant fact is that only 8 per cent of personal incomes go to support education at all levels. If my memory serves me correctly the former minister of finance, the Secretary of State for External Affairs (Mr. Sharp), promised that federal aid to higher education would be increased, and then he walked out on the scholarship program. Now, the government is backing up and cutting the health resources program. Dr. Hinchey said that there is an acute shortage of doctors in Canada at the present time. There are thirteen medical schools in Canada with three more being established. We should be spending $1,200 million each year on research and development in science, engineering, business industry and medicine. We now spend $71 million.

• (8:10 p.m.)

It is a fact that many people are dying in Canada because of inadequate medical care. You can have all the money in the world but if you are bleeding to death from a stomach ulcer, it is of no avail. You must have a good doctor and proper hospital facilities.

I think we have proved beyond doubt that the minister's statement that the shortage of doctors is a myth is completely wrong. His statement that 1,200 immigrant doctors are coming into Canada every year may be misleading. My information is that only 600 or fewer enter the mainstream of practice, less than one half of those entering the country. It is generally well known that doctors from Great Britain, Ireland, Australia—

Mr. Caccia: On a point of order, Mr. Speaker.

The Acting Speaker (Mr. Béchard): The hon. member for Davenport on a point of order.

Mr. Caccia: Would the hon. member permit a question. Will he indicate what efforts are presently being made by the medical profession and medical societies to recognize the degrees of immigrant doctors.

Mr. Rynard: Mr. Speaker, I was about to say that it is generally well known that doctors from Great Britain, Ireland, New Zealand and the British West Indies are accepted as being well trained. They have little trouble becoming licensed. God knows, we welcome them. Without them, our medical care program would be in complete chaos. I think that answers the hon. member's question.

The government was obviously interested in providing every citizen of our country with the very best medical care possible, to the tune of about $1 billion which was to be spent. Then they turned around and cut the very fund, the health resources fund, that was to provide resources under which required doctors would be trained. According to experts, the fund was cut when it was already 10 per cent deficient. That was penny wise and pound foolish. You cannot buy doctors or make them. You have to educate them. Does the government not know this or does it not care?

Not only did the government cut back on the health resources program but, in spite of our weak position with regard to doctors per capita of our population, it offers no direct leadership in stepping up the training of doctors. No financial assistance has been held out to help the medical schools operate during the summer semester. The government could increase the production of doctors by 50 per cent, at small additional cost. The buildings and equipment are there.

I ask the government, has it approached the provinces with the idea of implementing again the scheme that was carried out so well during the last war? According to the experts, the quality of doctors turned out under the scheme was not lowered at all. In the medical schools across Canada there are roughly 5,000 medical students. Of these, about 800 will be in their final year and working in hospitals if they can afford to do so. That means that about 4,000 students must find jobs, and students are having a difficult time finding employment. A great many of them will not find work. I ask the government, what is so difficult about applying manpower training concepts to these students and paying them for attending medical school during the summer semester. That would certainly be in the category of upgrading training. Interest bearing loans should be provided to students; they should be repayable after graduation and the payments should be deducted from income tax.

I should like to see more applications accepted from students of average ability, as opposed to applications from students scoring high marks. More stress, in my opinion, should be placed on dedication and less on

high marks. There should be more stress on character and responsibility, and less stress merely on high marks. It has never been proven to my satisfaction that in the practice of medicine the average student suffers in any way when his performance is compared with that of the better than average student. Admitting average calibre students would qualify many more students to enter the medical field.

The third point I wish to raise about the shortage of medical manpower has to do with the statement the minister made about the uneven distribution of doctors. For example, the Minister of Health and Welfare said that if you had a sore throat in Vancouver three specialists would be waiting for you. It is true that the proportion of specialists to general practitioners in this country has been increasing during the last few years. Thirty years ago the ratio was one specialist to every ten general practitioners. Today, the ratio is one specialist to every general practitioner. We must remember that in the medical field we are now doing highly specialized work not even thought of 20 years ago which needs highly trained doctors to carry it out. Has the minister even thought of consulting with his provincial counterparts? Has he thought of discussing this problem with the universities? Would a doctor be a better specialist if he put in five years as a general practitioner?

The government criticizes but co-operates little in working out our problems. Instead, it cuts back health resources programs which were passed by this house in a supposed effort to help cure the medical manpower shortage. I ask the government to get off its criticizing pedestal. It ought to help us solve some of our medical manpower problems and not help to create them.

• (8:20 p.m.)

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, this motion which blames the government for being unable to develop and to retain manpower resources in Canada deals with one of the most important problems of our country and, more particularly, of Quebec.

This province holds a record that is not enviable in the field of unemployment. It has a manpower surplus while it would now need a maximum of development. Indeed, it is paradoxical to discuss the manpower problem when one knows, of course, that our new country owns natural wealth that is practically undeveloped.

This is an unhappy situation. However, no really serious step is taken in order to meet it.

We have been denouncing, for a very long time, a system that leads to such a state of things. If there are people who do understand the problem, it is we, of the Ralliement Créditiste, and like the sponsor of the motion, we regret that the situation is so deplorable.

The manpower centres which I know, those of Quebec and particularly those which serve my area, are almost useless except that they give employment to a few civil servants. This seems to be the only aim of these centres.

When one knows the sometimes detached way in which the manpower counselors welcome the workers in some areas, one might wonder whether they really care to provide with jobs the unemployed or, still, those who do not get any unemployment insurance benefits, which is even worse since they do not receive anything.

I do not blame the civil servants altogether, because it is not they who can create jobs. But I blame them for not reporting unemployment cases or for not putting pressure on senior officials in order to induce them to bring at least partial solutions to this problem.

This leads us to try and determine the cause of unemployment. Of course, it would take too much time to elaborate further on this subject but we can still point out some highlights, namely the employment of student manpower which is still of some significance.

If we consider the tremendous number of students who, as soon as the holidays start, would like to find work so as to make a little money and thus participate in the development of the country, then it is not just a matter of money but also a matter of participation.

It is obvious that no one has any intention of giving work just for the sake of giving work because many people receive money without providing any service or any work in return. We have now come to the point where work is often considered degrading. Work should be upgraded and we should find the best means to give some to everyone, and especially to the young, since the real problems which we face now and which we will have to face within a few years stem from there. We are dealing here with one of the most important problems in our history.

If we cannot instil into our young people the love of work, what are we coming to? If we cannot create a sound emulation as to

work, enterprise and initiative, we are going the wrong way.

It is surely possible to achieve such aims but not the way it is being done at the present time. We do not help concerns to employ young people. Even in the case of those who hold degrees, whenever they enter the labour market, people are afraid to give them work claiming that they have no experience. If they have no experience, how do you want them to learn anything? Thus, people in the constituency of Champlain could have said on June 25 last: "He never was a member of parliament, he has no experience; so let us not elect him."

Therefore, there is something wrong. We are in a vicious circle. One cannot acquire experience if one cannot get work. One has to begin somewhere.

Even through artificial means of creating employment, we shall be able to develop our resources.

But the most serious aspect of it all is that our young people are not learning to love work. Unfortunately, the young are saying to themselves: Since we are not provided with work, with anything, it means that work in itself is not a good thing. We have created such a state of mind whereas we live in an era of progress, at a time where everybody is looking for comfort.

But in spite of the lack of work and income, young people want to make use of the advantages brought about by progress. It follows that they try, in all kinds of ways, more or less honest, to enjoy the same advantages in life.

That could explain, in part, the relaxed morals in our country, the growing number of crimes committed every where. Of course, when there is no work, there is no money. As money is essential to them, they manage to get some anyway.

And so, when we study the employment problem, and particularly that of the students, we touch upon a colossal problem, that of the new generation, that of the training of our youth which we would have wholesome so that our country can benefit from them in the future. We realize that it is high time to find the real causes, and to stop cataloguing opinions according to their source. Little does it matter where the solutions come from; we must pause and study them and, if needs be, forget partisanship to see them objectively, and adopt those that stand a chance of solving the serious problem which the student manpower confronts.

[Mr. Matte.]

[*English*]

Mr. Ross Whicher (Bruce): Mr. Speaker, I want to say that while it was not possible for me to listen to all of the speeches this afternoon, I have appreciated those to which I have listened. I feel that a great deal of thought has been put into them, not only by members of my own party but all opposition parties. We all realize as members of this house that the subject of this motion moved by the Leader of the Opposition (Mr. Stanfield) is one which worries not only we who sit here as elected members of this honourable house, but also all people of Canada.

Perhaps some hon. members have strayed slightly from the subject. As a matter of fact, this is something that I do very often myself. To bring the mood of the house back to what we are discussing, I will restate the motion as it stands:

• (8:30 p.m.)

That this house regrets the government has not provided for the development and retention of manpower resources in Canada and, in particular, of student manpower resources.

I had the opportunity of listening to the Leader of the Opposition this afternoon, and as a member of the government party I must say quite frankly that he made many good points. He spoke of many things that are worrisome to us as citizens of Canada. On the other hand, I must respectfully say to him that he did not offer any solutions.

All of us know that we as a country really have not provided for the development and retention of our manpower resources but, on the other hand, the solution is not as easy as the placing of this motion on the order paper. The Leader of the Opposition pointed out that there are approximately 250,000 students in Canadian universities, and I point out that this represents the investment of a fantastic amount of money, I know that the government of Ontario alone this year is spending over $1 billion of taxpayers' money on the education of children in primary and secondary schools, and this does not take into account universities.

Education is a fantastic expense. It is an investment not only in the present but in the future. One thing that has annoyed me is that in spite of this huge investment by the people of Canada in our young people, once these young people finish their education and get a certificate, many of them pack up and leave for what in their opinion are greener fields. May I remind you, Mr. Speaker, that one third of all the doctors who graduated in

Canada last year did not practise for one single day in this country, but left immediately for the United States where they could secure better returns for their services. I do not think this is fair.

I am not going to pick solely on the medical profession. I am also talking about engineers, dentists, architects and lawyers, all the people in what we call the professional class. We have a fantastic investment in these people.

A young man or a young lady leaving high school today, and deciding to buy a shoe store, a dairy, a bakery, a grocery store, or whatever it may be, must have the necessary money or must borrow it from somebody else. If they borrow the money, it must be paid back. One of the great segments of our society is the agricultural industry. Many young farmers must buy their way into it. Perhaps they take over family farms. If they do not have the money themselves, they must get it from the Farm Credit Corporation, private mortgage companies or banks. They borrow money in order to buy a farm, cattle, equipment and all the things necessary for farming. And sooner or later, they have to pay back that money.

I ask where is there a segment of our population that gets things more easily in the financial sense than those people who go through primary school, as all of us did, and through secondary school, completely at the cost of the state, then go on to university? Many of us did not reach university but quite a number did. This year there will be 250,000 students attending university, and two thirds of the cost of university education will be borne by the state, whether it be the province of Ontario, Quebec, or any of the other provinces. A student's father pays the other one third of the cost if the student does not get a scholarship.

In my opinion, Mr. Speaker, governments over the years have not provided for the development and retention of manpower resources in Canada. I ask, does a student who gets free primary schooling, free high school schooling, and has two thirds of his university education paid for, have a responsibility to Canada? Has he a responsibility not only to his parents but to the other people in Canada who paid the taxes that paid for his education? I say he has. The young man or young lady who gets a qualifying certificate, be he or she a dentist, a lawyer, a doctor or an architect, has really got it made in what we call the western world. I say that many thousands of students who graduate from our universities have an obligation to pay back something to Canada.

Do we need these young men and women whom we have educated with our money? When I talk about "our money", I am not talking about the money of the average member of parliament who sits in this chamber. I am talking about our older citizens who have worked hard throughout their lives, who have raised their families and who are now living in retirement. Unfortunately, many of these people do not have the financial resources that we would wish them to have, yet they are still striving to pay their way and to help build up the society that we want in Canada.

I have pointed out that one third of the medical doctors who graduated from Canadian universities last year left this country. I do not want to take anything away from them. They worked hard in order to get their degrees, but they left this country without paying back in services or in taxes one nickel of the huge sum of money that we invested in them. Do we need these young doctors? Ask any member of this house who comes from a rural area. If there is an exception I am willing to apologize, but I do know that in the rural areas of Ontario there is a shocking lack of medical doctors.

• (8:40 p.m.)

Do we need dentists in Canada? I have been told, even by dentists themselves, that tomorrow morning the dental profession could place 5,000 new dentists in positions across Canada without hurting economically one single presently practising dentist. We would not be taking one nickel away from any other dentist. We need these people. Do they have an obligation to us? I say they do. Now, I shall come to the crux of the situation. We often talk about such things as democracy, freedom of speech and freedom of everything else here in Canada. Particularly, we discuss these things in the House of Commons. But unfortunately sometimes it is necessary to give up a little bit of freedom for the over-all good. If a young farmer is to buy a farm or a young businessman is to buy a dairy or a bakery, he must pay back the amount of money he borrrows in order to buy the business. So, I say that our students who graduate from our universities also have something to pay back to the taxpayers of Canada. I say they have an obligation to remain here to give us not only their services for which we are crying in rural Canada but

also to pay back some of the tax money we have invested in them. If we were to ask the Minister of Finance or any treasurer of any province across Canada, we would be told that they, too, are crying for money.

Who earns the money in this country unless it is the professional men who have graduated from our universities? Is there any reason they should not try to pay back in the form of taxes some of the money the taxpayers and citizens have invested in them? One of the hon. members who spoke this afternoon mentioned the fact that perhaps something is owing, but he did not know what to do about it. He did not have any solution. I understand that if a young man in the armed forces of Canada today has passed what at the moment in Ontario we call grade 13, he can go to university at the expense of the Department of National Defence. However, there is one thing he must do before he can get this education. He must sign a paper stating that he will remain in the armed forces for a period of 5 years. Most sincerely, I ask this question. If the people in the armed forces who receive university training must sign a document stating they will remain in the same forces for a period of "X" number of years, why should we not ask those who are attending university to become doctors, dentists, architects, lawyers or whatever the profession may be to sign a paper stating they will remain in Canada for a certain period?

I know there will be some people who may be surprised that a Liberal member would say something like this. I want to say that I never have been more serious in my life. Not only do I feel that this is a good idea, I consider that in Canada it is an absolute necessity. For the past few months we have been talking about the surplus of fish on the east coast and the west coast. We have talked about the surplus of wheat in the West. Tonight, at the Chateau Laurier, those attending the agricultural congress are talking about the surplus of turkeys, the surplus of potatoes and the surplus of food generally wherever it may be. We fail to appreciate, however, that in the long run what we need in Canada is more people. Our neighbour to the south, whose population is ten times ours, probably grows about twice as much wheat and consumes about 80 per cent of it. Here, in Canada, where we have millions of bushels of wheat we consume only about 15 per cent of it and must export the remainder. Surely, we must appreciate the fact that the way to overcome this problem is to have more people here in Canada.

There is no market in the world like a home market. This has been proven by our neighbour to the south. I am one of those who would advocate that we bring in many people from other parts of the world. But with all due respect to my friends who come from other continents, I say there is no citizen in Canada who is a better citizen than that person who has been born and bred right here and who has been educated in our way of life; yet we are letting many of them get away. We need these people. We need the doctors and the dentists much more than we need their taxes. After what I have said, there might be some among my friends in the opposition parties who might ask how I could vote against such a resolution as this which has been introduced sincerely I am sure by the Leader of the Opposition. My answer is that I do not believe that any solution has been given by the opposition. I am willing to listen. I know how serious a problem this is. I also know how serious a problem it is to the Minister concerned, and how serious it has been for previous ministers and governments. But what are we going to do about it? Are we willing to give away a little of our liberty?

Are we willing to take away a little liberty from our sons and daughters and say to them that if Canada educates them they have an obligation to remain here for a certain period, not only because of the tax dollars we have invested in them but also because their services are needed across this country? Members who come from Vancouver, Montreal or Toronto probably represent areas which do not need more doctors or dentists. However, in rural Canada people must travel many miles in order to obtain these services which others take for granted. This is the reason I say the government should sit down and consult with the provinces concerned in order to work out a plan to enable us to partake of the services of these people who have received the precious asset of education.

I have nothing else to add to this debate, Mr. Speaker. I believe it was the Leader of the Opposition who said some heads should be knocked together. Certainly, they should be. When we remember how sparsely populated this country is, we should realize that whether it is fifty years from now or 100 years from now, the people in countries like China which has a population of 750 million, Japan which has a population of about 100

million and India which has a population of about 450 million, will break out of their shirts and trousers to come here.

If we do not do something about the situation, this is what will happen. My suggestion is that we keep some of our boys and girls right here. If ever a country needed these people it is this country.

The Acting Speaker (Mr. Béchard): The hon. member for Red Deer.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, first I should like to commend the hon. member for Bruce (Mr. Whicher)—

Mr. E. F. Whelan (Essex): Mr. Speaker, I do not wish to interrupt the hon. member, but I wonder whether I might have permission to direct a question to the hon. member who just finished speaking.

The Acting Speaker (Mr. Béchard): Order. The hon. member's time has expired, unless there is unanimous consent.

Some hon. Members: Agreed.

• (8:50 p.m.)

Mr. Whelan: Mr. Speaker, I wanted to ask the hon. member a question. I believe I heard him correctly. I thought he said you had to be born in Canada to be the best class of citizen in the country. Is that what the hon. member said?

Mr. Muir (Cape Breton-The Sydneys): That was Pickersgill.

Mr. Whicher: I did not say that, Mr. Speaker. That sort of remark would come from the people on my left. I did not say that at all. I said that if I had my way I would open the doors and bring in a lot of people; that there were no better citizens than those born, bred and educated right here in Canada.

Mr. Whelan: On a point of order, Mr. Speaker, I disagree with the hon. member because there are in my own family, including my wife, as good citizens as I am or any other Canadian that I know.

Some hon. Members: Hear, hear.

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

Mr. Whicher: In that particular instance, I would say she would be a lot better, Mr. Speaker.

Some hon. Members: Oh, oh.

The Deputy Speaker (Mr. Béchard): Order.

Mr. Thompson: Mr. Speaker, I commend the hon. member for Bruce (Mr. Whicher) for a very thought-provoking and worth-while contribution, much more so than some I have heard him deliver in the past. I sometimes become concerned about the Department of Manpower and Immigration. I am less concerned, having listened to the hon. member, because I know that when the Prime Minister (Mr. Trudeau) realizes, as some of us have already, that perhaps the time has come for a new minister of manpower and immigration, he will also realize that he has a good resource of people from which to draw.

I suggest to the hon. member for Bruce that he should get the hon. member for Essex (Mr. Whelan) in a corner some time and teach him something about the problem we are trying to deal with tonight. I have to agree with him somewhat as I did not have the opportunity of being born in our great country, but whether we are talking about those born here or those who have chosen to come here, Canada is a great nation.

Some hon. Members: Hear, hear.

Mr. Thompson: The situation that exists today as far as opportunities—

Mr. Whelan: I rise on a point of order, Mr. Speaker.

Some hon. Members: Oh, oh.

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Essex (Mr. Whelan) on a point of order.

Mr. Whelan: I object to what the hon. member just said. In my own family I have as in-laws a Rumanian brother-in-law, a Hungarian sister-in-law and a Finnish sister-in-law, and my wife is of German descent. Nobody has to take me aside and teach me anything about immigrants. I know what kind of great Canadians these people are, and I know also that they are as great Canadians as those who were born in this country.

Mr. Thompson: Mr. Speaker, I do not intend to get into an argument with the hon. member for Essex. He is a good friend of mine and I can understand that once in a while he has to blow off a little steam. But there is no real argument here.

I commend the motion before the house to the hon. member for Essex and the hon. member for Bruce, because I think it points out a problem that is very real in our country at this time. I remind the hon. member for

Bruce that with regard to the problem of manpower which is pointed out in the motion before us—the hon. member is very much aware of the problem; his words have demonstrated this—it is the responsibility of the government to find an answer. This is part of the responsibility of being charged with the administration of government. We do not see these answers coming forth and for this reason some of us are extremely concerned. I am sure this concern is shared not only by those who sit in the opposition benches at the present time.

Canadian manpower development, in other words the development of Canada's human resources, is the most important single factor in the economic growth of this country and, above that, in the entire well being of our Canadian way of life. So, in this special debate today I believe we are dealing with the most vital problem that we face. The hon. member for Simcoe North (Mr. Rynard) has pointed out the problem as it relates to taking care of our sick people and the inadequate resource of properly trained medical people to do this work. But this is just one area of the need that exists. I draw this to the attention of the house once again.

I come back to the reply of the minister this afternoon to the remarks of my leader, the Leader of the Official Opposition (Mr. Stanfield), when he said he was surprised the Leader of the Opposition should bring forward a motion on the subject of manpower resources and student manpower in particular. Perhaps he thinks a little differently now, having listened to what the hon. member for Bruce has said. Twice in the course of his speech the minister expressed his surprise at the action taken by the official opposition. He has had the audacity to suggest that perhaps the motion should be withdrawn. I fail to understand the thinking of the minister in this regard. That the minister should be surprised is a clear indication of what little importance he attaches to some of the problems raised by the Leader of the Opposition.

It is clear that the surprised minister does not regard this problem as being very current, and certainly not very urgent, or he would not have spoken as he did. The request to withdraw the motion is evidence of this. Twice in the course of his speech the minister by inference was critical of the Leader of the Opposition for dealing with the problems of student and graduate manpower resources rather than with the adult labour force. If the minister were following the affairs of the house with any regularity, he would know that the motion brought forward some weeks ago on the first day allotted to the official opposition dealt with the lagging rate of growth and the problem of unemployment. Consequently, the minister will realize that had we tried to continue that debate today on the problems of the adult labour force it would quite probably have been contrary to the rules of the house.

Perhaps the minister, in commenting on how much the government was doing in providing job opportunities, was referring to the Prime Minister. I have not seen any other reports to justify the minister speaking as he did. I refer to a news report of not too long ago which pointed out that the personal staff of the Prime Minister has been increased by 77 to 288. The number of people employed in the Privy Council office, which serves the Prime Minister and the cabinet, is expected to increase by nearly one-third in this fiscal year, in spite of the widespread freeze on the civil service.

I come back to the remarks of the Leader of the Opposition. What was the context of those remarks? There are just two facts that need to be stated. First, some 88,000 students will be graduating from our colleges and universities this year. This graduation is just a few weeks hence. Although there is a 20 per cent increase over last year in the number of graduates, there is a drastic reduction in the number of jobs available to those graduates. In the long run, Canada simply cannot afford to lose them. Again, I refer to the remarks of the hon. member for Bruce. This fact relates to the ability of the Canadian economy to absorb those who will be graduating from universities and colleges within the next few weeks and seeking permanent careers. This is the crux of the first point made this afternoon by the Leader of the Opposition.

The second fact concerns summer employment for students. There will be more than 360,000 students seeking work. This is quite apart from the number who will be graduating. To some of them, obtaining a job or failure to do so, will make the difference between continuing their education or interrupting it. Already across my desk—and I am sure this is true of every member of the house—there is beginning to flow a stream of letters from students and parents requesting help in this very serious situation. The minister seems to completely miss the point made by the Leader of the Opposition.

• (9:00 p.m.)

The minister referred to the support given by the federal government to post secondary education. He spoke of the Canada student loan plan and of other similar programs. It is obvious from the way he spoke that he recognizes the problem, but recognizing it is just not enough. I agree with the minister that there have been many platitudinous remarks made without any evidence that the problem has been deal with. We have had enough talk. A good example of that is the minister's remarks regarding the size of the student loan project. I agree that the Canada student loan plan has been a worthwhile project and has proved its worth. But what have student loans to do with student employment? What students in ever increasing numbers require is a summer work opportunity for those who are continuing their education, and for those who have completed it the opportunity to find gainful employment where they can use the skills and the training which has been provided for them. Yes, 300 students are to be absorbed in the Department of Manpower and Immigration for summer work. That is good, but how many jobs are going to be found for students across the nation? As the minister indicated, 367,000 young people will be looking for jobs this summer. His description of his department's plan sounds good, but if the record of the department in regard to manpower in general is any example of its ability to deal with this problem, there is not much hope. I say that words are not enough, neither is concern by itself. There must be action and there must be relevant planning. This is what the government faces so far as its responsibility in concerned simply because it is the government.

The very point made this afternoon by the Leader of the Opposition, and ignored by the minister, was that we in this country are turning out a record number of graduates from all kinds of post secondary educational institutions, and that we have no use for thousands of them in this country. This is a disgrace and this is the key problem that faces us. Presumably, the federal government will go on giving support to post secondary education by means of student loan programs and other plans, and year after year enrolments will increase as well as the size of the graduating classes. But where is the opportunity for careers for these young people? This is not just something to be theoretically projected into the future; it is now upon us. This is why the question that is posed today in this motion is of the utmost importance to the house.

With this year's graduating class 20 per cent higher than last year's and the number of jobs available this year perhaps 20 per cent fewer than last year, this is becoming a crisis situation which requires the priority attention of the national government. Twice this afternoon the minister emphasized the point that education was a provincial responsibility. I hope the minister is not attempting to convey the impression that the federal government does not have primary responsibility for the development of policies which will provide career opportunities for young Canadians leaving our colleges and universities, while at the same time it faces the responsibility of making sure that our economy is expanding in such a way that opportunities are made available to students who must work to pay part of the cost of their education.

I quite agree that with regard to summer employment the provinces have a role to play. This role should be shared by local governments as well. The minister made the point but I think the house is entitled to know whether the minister has made any effort to meet representatives of the provinces to discuss the problems of summer employment for students. After all, the minister has admitted that the problem was serious last summer and is likely to be worse this summer. I presume he has known that this would be the case. Under these circumstances, not to have initiated a meeting with the provinces to discuss this very serious problem indicates a regrettable apathy and lethargy on the part of the minister.

Even at this late date there are considerations which should be discussed between the federal government and the provinces, late as it may be. Under the present circumstances, with the prospect of scores of thousands of students being unable to find summer jobs, urgent consideration may have to be given to strengthening the present programs of student aid. This may be the only alternative to ending the educational careers of a large number of our young people who are hoping to complete their university education. The danger is even more serious by reason of the fact that this is the second year in a row that there has been a serious shortage of summer jobs for students. We, in the opposition, would like to know whether the minister has had any discussions whatever with the provinces about whether it would be necessary to

strengthen or add to the student aid programs, and if not, whether he contemplates any such meetings.

The whole purpose of the motion moved by the Leader of the Opposition this afternoon was to find out how much importance the government attaches to this problem, and to find out whether the government is working on any policies, either alone or in conjunction with the provinces, that might help meet a problem that is extremely serious now and that is bound to become even more grave over the next three or four years. I regret more than I can say that the Minister of Manpower and Immigration (Mr. MacEachen) and the government are seemingly completely unaware or unconcerned about the wastage of our manpower resources.

This afternoon the Leader of the Opposition asked whether any studies had been made by the government as to how many members of this year's graduating class are likely to be absorbed in the labour force. That question was not answered by the minister. If this is so, what policy conclusions have been drawn as the result of such studies? What are the projections over the next three to five years?

The Leader of the Opposition also asked the minister to what extent the Department of Manpower and Immigration is involved in such problems as the shortage of medical and para-medical personnel in Canada, a question which was so ably asked again tonight by the hon. member for Simcoe North (Mr. Rynard)? He asked to what extent the Department of Manpower and Immigration is concerned about the loss of scientists to this country? Far from attempting to answer any of these questions, the minister this afternoon ignored them completely. This is why I am compelled to speak as I am speaking now.

Nobody is asking for miracles. What we are asking is for some evidence that there is some thinking and planning taking place in the department which is primarily responsible for the utilization and retention of our young manpower resources, particularly the growing graduating classes each spring. The evidence given this afternoon by the minister indicates that no such planning is taking place in his department. If there is, we have not heard about it.

It must be a bitter and disillusioning experience for many young Canadians—and I speak to my fellow members in this house because I am sure we are all in contact with this problem—to find that the first people to be betrayed in the just society are the young

[Mr. Thompson.]

people, many of whom gave it such support a few months ago. It appears as if the Prime Minister and his colleagues are telling their young supporters "Don't call us, we'll call you, at the next election". The government is in for a rude shock.

If this government and this country is willing to tolerate a situation in which more and more young people are being trained and educated and cannot find careers in Canada, this country is bound to have an increase in the incidence of conflict and violence. Perhaps more than any other minister, the Minister of Manpower and Immigration and his department have the responsibility for developing the policies, providing the leadership, and showing a concern to make words like "involvement" and "participation" in the development of the Canadian society a reality.

We have an amendment to the motion. It is moved by the hon. member for Oshawa-Whitby (Mr. Broadbent). I want to make a few remarks with regard to it. The amendment criticises the government because of its failure to emphasize the role of the public sector. A few days ago I returned from Great Britain. We have seen what has happened in a country where a socialist government adhering to the principles that are advocated by the New Democratic Party has failed because of its emphasis on the role of the public sector. As we were saying here tonight, we have a problem in Canada, but the problem that Great Britain has as a result of placing the major bulk of the responsibility on the public sector makes our problem almost insignificant. I emphasize that this is not the answer to the problem at all, and therefore this amendment is completely irrelevant to the need and to the problem which we face.

Mr. Broadbent: Would the hon. member permit a question?

• (9:10 p.m.)

Mr. Thompson: My time is limited, Mr. Speaker, and I am trying to finish. The hon. member can ask his questions later, if he wishes.

A free enterprise economy in which all individuals have an opportunity to participate is more desirable than a state regimented economy. For this reason, the amendment is not in my opinion relevant to the real problem. They have had an opportunity in Britain to proceed on the lines suggested by this amendment and we can see the results of their doing so all too clearly.

An hon. Member: What about Norway, Sweden and the Netherlands?

Mr. Thompson: We have been in all those countries as well, and if it were not for the private sector doing what it has done for those countries, they would not be there.

Some hon. Members: Hear, hear.

Mr. Thompson: Hon. members in that corner continually hold up Sweden as their example, yet 95 per cent of all industry in Sweden is in the private sector.

Mr. Broadbent: On a point of order, Mr. Speaker.

Some hon. Members: Sit down.

Mr. Broadbent: On a question of privilege, the hon. member implied I said that private enterprise should be abolished. In fact, I was suggesting that the mixture of public and private enterprise as it exists in Sweden would be highly desirable in Canada at this point.

An hon. Member: Where is the point of order?

Another hon. Member: Where is the question of privilege?

Mr. Thompson: I do not see any question of privilege. The point I am emphasizing is that the development of Canada's human resources is the most important single factor in the economic growth of Canada.

In this connection I would refer the minister to a document with which I am sure he is familiar, the white paper on human resources produced by the Alberta government a year or so ago. This document recommends a new approach to human resource development.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member but his time has expired.

Some hon. Members: Go on.

The Acting Speaker (Mr. Béchard): Does the house give unanimous consent?

Some hon. Members: Agreed.

Mr. Thompson: Thank you very much, Mr. Speaker, I have only a few remarks left to make. I simply say that the present fragmented approach being followed by the government is not good enough. There were four basic principles enunciated in this white paper and I would draw them to the minister's attention. The first is that there must be a new priority for human resource development. Second, there must be new emphasis placed on the individual in this development—not on the public sector but on the individual so as to give him a chance to use his initiative and his ability. The third point is that there must be a broader purpose and objective in connection with physical resource development. The fourth recommendation is that there must be new emphasis on the integration and co-ordination of both the human and the physical aspects of resource development.

If this were done there would appear to be some hope of meeting the problem which faces not only our students today, whether they are looking for summer work or beginning their careers, but the entire problem of effectively using our vital human resources. This is a great challenge and it is to be regretted that the minister this afternoon failed so miserably to respond to the opportunity provided and the initiative taken by the Leader of the Opposition in enunciating some of the programs which the government should be initiating to deal with these circumstances. In the absence of better assurance from the government, the only alternative left to us is to support this motion tonight expressing lack of confidence in the administration for its failure to meet this challenge.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Gérard Loiselle (Parliamentary Secretary to the Minister of Manpower and Immigration): Mr. Speaker, this afternoon, we heard opposition parties blame the government and the Minister of Manpower and Immigration (Mr. MacEachen) for not having provided students with summer jobs and not having developed manpower resources in Canada.

I can say, Mr. Speaker, that the minister knows the problems and that officials in the various Manpower Centres are more than ever aware of the work they have to do this year to find employment for the always increasing number of students. Their task is complicated by the fact that the economic situation is not improving at the same rate the number of students is increasing. The Leader of the Opposition (Mr. Stanfield) has put a motion of censure against the government, while the hon. member for Oshawa-Whitby (Mr. Broadbent) has amplified it by stating that the government relies on the private and unorganized sector.

In my opinion, it would not have been possible to find a better way than this non-confidence motion to waste the time of the house.

We know that the government and the minister are aware that there is much to do in the manpower field. They try by all possible means to improve conditions. They recognize that conditions are not perfect, but they are endeavouring to improve them.

We are the first to deplore those conditions and we wish that instead of always condemning the government hon. members opposite would sometimes make positive and specific suggestions and not merely put forward programs which would entail further expenditures.

It must also be recognized that when the government is compelled to raise taxes to find the necessary funds to carry out certain projects suggested by the hon. members opposite, the latter are the first to criticize and condemn it.

This is why members of the opposition should once in a while, put in good suggestions and realize that if they ever came to power, they would be facing the same problems.

[*English*]

Mr. Broadbent: Was the hon. member not in the house when I moved the amendment and, if so, did he not hear the arguments I put forward and the proposals I offered?

Mr. Loiselle: Yes, and I will deal later with some of the points made by the hon. member. I was asserting that some hon. members who continually criticize and push the government into undertaking more responsibilities in different fields are the first to protest when it is necessary for the administration to raise money by way of taxes to cover the additional expenditures incurred. As I say, I will answer some of the questions raised in the hon. member's speech later on.

Mr. Broadbent: Would the hon. member not agree that I tried to make it clear in my speech that we were not opposed to new taxation, that we were very much in favour of implementing certain sections of the Carter Report which would result in certain tax increases for some sections of the population? That was one part of the argument. We are in favour of a selective increase in taxes in certain areas.

• (9:20 p.m.)

The other argument was that it does not necessarily involve an increase in expenditure but rather a shifting of emphasis from the private to the public sector.

Mr. Loiselle: Mr. Speaker, I am not going to use up my time by giving a lengthy reply to a speech. The hon. member had his time this afternoon. However, in answer to what he said I should like to see whether the government does bring forward new ways of raising taxes in other fields. What then will be the stand of the hon. member's party in this house? We will have to wait and see.

[*Translation*]

Mr. Speaker, I should like to go on with my comments if the honourable members allow me to. I have been very good and I let them babble all afternoon against the government and the department. I should like to continue my speech and explain what the government is doing and what it intends to do in that field.

I said a moment ago that we did not think the situation was ideal; fortunately, we do not think either that it is hopeless. I could tell the honourable member for Red Deer (Mr. Thompson) who claimed just now that the government was not looking after the problem of employment for young people that the department is investigating every year on employment possibilities for university students, and so forth.

Now, the investigation conducted by the department for this year is not yet completed; however its shows that more jobs than in past years will be available to graduates in engineering, business and business administration and science. That is concrete evidence that the department has taken steps in that direction and the facts are consistent with the publicity made by the department and the work performed by our officials, as I was saying a while ago.

From July 1968 to September 1968, the department engaged in an advertising campaign which—directly or indirectly it is hard to say—provided 13,000 jobs for students. This was achieved thanks to the work done by the officials of the Department of Manpower, within its 250 or 300 offices in Canada.

Mr. Speaker, last week, I travelled outside the province on departmental business. I spoke with the officials of our Manpower office in the locality where I happened to be

and they too assured me that they were stepping up more the publicity and were more active than last year. I was told that the Manpower office in that place was contacting private enterprises to secure summer employment for young people.

Another group of employees in our Manpower centers was visiting some areas and met the workers personally in order to hear about their ideas and their suggestions on manpower in the area or in the country at large. These officials set up a file for every individual in order to determine in which field they could give him a start.

Those are new methods used by the Department of Manpower to promote the use of manpower.

It has been mentioned this afternoon that the responsibility of the Manpower and Immigration Department is not to create jobs, but rather to see that the manpower is adapted to modern equipment and technology. And, it is exactly what is being done today, through a whole gamut of vocational training.

Mr. Speaker, in that field, the co-operation of private enterprise, of industry, as well as that of the members of Parliament is required. In their ridings, the members of Parliament must find ways to promote employment in industries and, if necessary, to make suggestions to the department.

We are trying to establish new methods, but it is necessary, in some areas in particular, that the member of parliament who is concerned with the welfare of his people, and especially that of the students, let the department know if there are any possibilities of creating new jobs that the officials may have overlooked.

The member of parliament may, on his own initiative, meet the responsible people in the Manpower centres and co-operate with them, in order to find the most efficient way of securing jobs.

Mr. Speaker, the hon. member for Victoria-Haliburton (Mr. Scott) suggested this afternoon—another opportunity for spending more money—to grant additional travelling allowances to persons taking vocational training, so that they may be able to go and visit their families during the Easter holidays.

Mr. Speaker, this is definitely in contradiction with the present regulations made two years ago. He said that if the school is closed during the period where the government is paying an allowance to someone eligible, the latter will not get travelling expenses. However if, for some reason, the school must close during the period where allowances are being paid, a travelling indemnity will be paid. The minister will never be able at any time to take it upon himself to change the regulations in order to defray supplementary expenses.

In reply to the questions of the hon. member for Selkirk (Mr. Schreyer), I shall say that all his suggestions would only involve additional expenses for the department. I realize that for a certain category of people, this could enable the person entitled to an allowance to attend a longer course at the government's expenses. However, when the hon. member mentioned this afternoon that the 52-week period of training provided under the terms of the Manpower Act was in fact reduced to 44 weeks, I believe he was including in his calculation the two summer months during which courses are suspended.

Mr. Speaker, I must say that the hon. member for Selkirk was wrong to make such a statement.

• (9:30 p.m.)

Mr. Speaker, when we say that a person eligible to courses paid by the Department of Manpower is entitled to a 52-week course, it is really 52 weeks, and not 44 weeks of courses and 8 weeks of holiday, with an allowance. A person accepted for a given course receives a living allowance only while attending courses.

We were asked the same thing during the Christmas and New Year period. In my own riding, some people attending courses paid by our manpower office asked for the same allowance during that period, claiming that the courses were suspended. We must make it clear that the legislation authorizes allowances for 52 weeks of courses, and not for 44 weeks of courses and 8 of holiday.

The hon. member mentioned also that the Department of Immigration was not looking after the less favoured areas. I have to tell him that he surely does not try to find out what is the true situation.

In fact, I could quote some figures which show that the government is looking after its business and attending to those things even before hon. members bring them to its attention.

I could mention that in 1961-62, through its training programs, the government paid $29 in Canadian money to every unemployed citizen of the Atlantic provinces; the average for

every unemployed amounted to $44. I will not give figures for all those years, but only for 1968-69, in order to show that the government did something about that problem. In the Atlantic provinces, $560 per unemployed was paid out for training and retraining and $516 across Canada.

That is to say, Mr. Speaker, that in 1961, when a Conservative government was in power, $29 was paid out, whereas today, the Liberal government disburses $560 per unemployed.

In 1961-62, $44 per unemployed was allocated and this year $516 is contributed.

The hon. members we have heard today have said that the government does not bother with that section of the population. It does, but I could not find anyone in this house who could solve the unemployment problem overnight or say that the 360,000 students, presently enrolled in our universities and postgraduate institutions, could find employment overnight.

It would be too good to be true. If that were the case, we might not need the hon. members of the opposition, because the situation would be perfect. We would not have to listen to the condemnation of hon. members who, right or wrong, are always saying that the department is not concerned with that problem.

As concerns adult vocational training, Mr. Speaker, from a budget of $400 million for 1968-69, it is expected that about $197 million will be spent. It is fine to think of the students, but the adults must not be forgotten. $197 million will be spent for adults and students. Some of them will become part of the staff of our Manpower Centers. This year, it is expected that $100 million will be spent in grants for the construction of technical schools.

Mr. Speaker, if those expenditures do not represent for the government a preventive measure for future years, I wonder what it is. I think that the government is doing its best. We have this year a $400 million budget, and next year it will reach $500 million or $550 million. From one year to another, the government wants to accelerate and improve its methods of training.

One hon. member was blaming the government this afternoon for giving its vocational training courses in subsidized technical schools. Mr. Speaker, all these courses are being taken, and I have witnessed it on several occasions. The hon. member who spoke against this procedure was suggesting that those eligible for the courses should apply to industry.

How could a private industry accept to hire somebody who does not know his trade? Would the government be able to pay this private business to enable the students to continue their schooling there?

In technical schools, all courses given are excellent. I have visited such schools. Courses are being given by qualified people and it should not be allowed that those students who take these courses to learn a trade be hired by private industry, unless—

The Deputy Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member in the middle of his interesting remarks, but his time has expired.

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, in the few minutes I have left—

Mr. André Fortin (Lotbinière): Mr. Speaker, I rise on a question of privilege.

Mr. Deputy Speaker: Order. The hon. member for Lotbinière on a question of privilege.

Mr. Fortin: Mr. Speaker, I do not want to take the time of the hon. member for Sainte-Marie, but I would like to point out to the house that since the beginning of the debate on the motion introduced by the Leader of the Opposition (Mr. Stanfield), only one member of our party has been able to speak, while several members of the other parties had ample opportunity to be heard.

Therefore, Mr. Speaker, I wish to remind that there are fourteen of us and that we would also like to take part in the debate, which we could do in a much more constructive and sensible manner that the member for Sainte-Marie.

Mr. Deputy Speaker: Order. The remarks of the hon. member will be taken into consideration.

Mr. Valade: Mr. Speaker, during the few minutes remaining to me, and though I must do without some notes I had prepared, I shall inform the minister of my views and sum up very briefly some remarks that I wanted to make.

First of all, Mr. Speaker, as time does not allow me to do so, I would not want to look fully into this very important matter of summer jobs for students. Obviously there exists a glaring contradiction between the minister's

statements and those of his parliamentary secretary as far as their stand and the statistics given are concerned.

However, I should like to refer to one of the arguments put forward and which in my opinion, is completely ludicrous. It reflects indeed the confusion that prevails not only within the Department of Manpower and Immigration, but also within the Liberal party, since the parliamentary secretary is, I think, empowered by the minister to speak on behalf of his department.

He told us, among other things, that the department and the minister were fully aware of every thing with regard to student manpower in Canada.

Then, if this is true, I wonder why the minister could not answer my question this afternoon, when I inquired about the number of students seeking employment next summer.

The minister made it quite clear that he did know and that he did not have the information at hand, which proves therefore that there is some conflict with regard to the information given and a certain lack of communication between the minister and his parliamentary secretary.

After having found fault with the opposition for not making any suggestions, the hon. member continued his speech and a few minutes later, he said that the suggestions of the opposition would prove costly for the government. And so, he blames the opposition for suggesting concrete solutions to do away with unemployment, but later he praises the minister for having increased from $80 million to $197 million the money earmarked for adult technical training. This proves once again that there is flagrant contradiction since, on the one hand, he blames the opposition for wanting to suggest solutions that will cost the government a lot of money while, on the other hand, lauding the minister later for having increased by $100 million the amounts earmarked for technical training.

• (9:40 p.m.)

So. I am trying to understand that jumble of contradictions—

Mr. Gérard Loiselle (Parliamentary Secretary to the Minister of Manpower and Immigration): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Béchard): Order. The parliamentary secretary to the Minister of Manpower and Immigration on a point of order.

Mr. Loiselle: If I understand correctly, the member for Sainte-Marie blames me for asking the minister to spend a $100 million. I am afraid the hon. member did not understand me correctly. What I said a while ago was this: this year, the Department of Manpower will spend $197 million on vocational training and $100 million on the construction of technical schools.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Sainte-Marie.

Mr. Valade: I am sorry the member for Saint-Henri still does not understand. I shall explain later.

Mr. Speaker, I do not feel that I should dwell on the matter of student employment, of which my colleagues have spoken at length during this debate. Still, I shall touch upon the substance of the amendment which really deals with unemployment in a very general sense.

I am sorry to note, Mr. Speaker, that unemployment has now reached an extremely dangerous point for the Canadian economy, and especially that of the province of Quebec.

The government has not shown that it intends to do anything at all to alleviate this plague which affects the province of Quebec more particularly. According to today's newspapers, the port of Montreal may be forced to suspend its operations during this current season; this would surely means that thousands of dock workers, labourers and other employees would be unemployed.

For the past few weeks, here in this house, we have repeatedly asked the Minister of Transport (Mr. Hellyer) to tell us what steps he intended to take in order to avoid this economic disaster threatening the Canadian metropolis.

Considering the unemployment prevailing now in the province of Quebec, I dare say that their responsible statements made by some ministers are of bad omen for the economy of the province of Quebec.

I would now like to refer to the most irresponsible and harmful statement made by the Minister of Labour (Mr. Mackasey) I saw him a moment ago in the house and he was probably making apologies while trying to clear the Minister of Manpower and Immigration and the government of their failure to take action about unemployment in Canada and to put

Division

the blame for this catastrophic situation on the separatist movement in Quebec.

The member for Verdun (Mr. Mackasey) said: If the rates of unemployment is now so high in Quebec, it is due to the Quebec separatists. If I ever wished to deny a statement, this is it.

I reject the minister's statement because it endangers the atmosphere of security and of confidence which the industrialists necessarily look for when they try to establish in this province industries that can provide the unemployed with work.

Mr. Speaker,—unfortunately, I see that time is running out and that I must hurry. I must draw to the attention of the government that they did not take into account some of their responsibilities.

In the field of secondary industry, which is the basis of Canadian economy, this government has been totally powerless and inefficient. We are still awaiting an early announcement of a legislation to stimulate the development of secondary industry in Canada, which is threatened by a host of finished products from abroad.

In fact, our market is now invaded by finished products, imported at prices lower than those found on the Canadian market but the government has presented no legislation that could protect our manufacturers.

Unfortunately, Mr. Speaker, I realize that my time is up and I hope I will have the opportunity to get back to this matter.

[*English*]

Mr. Speaker: It being 9:45 o'clock p.m. pursuant to section 9 of Standing Order 58 it is my duty to interrupt the proceedings and forthwith put, without further debate or amendment, every question necessary to dispose of the said proceeding.

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

YEAS

Messrs:

Benjamin
Broadbent
Burton
Douglas (Nanaimo-Cowichan-The Islands)
Gilbert
Harding
Knowles (Winnipeg North Centre)
Lewis
MacInnis (Mrs.)
Orlikow
Peters
Schreyer
Skoberg
Thomson (Battleford-Kindersley)—14.

[Mr. Valade.]

NAYS

Messrs:

Aiken
Alexander
Alkenbrack
Allmand
Badanai
Baldwin
Barrett
Beaudoin
Béchard
Bell
Bigg
Blair
Blouin
Boulanger
Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Cantin
Carter
Chappell
Clermont
Coates
Cobbe
Code
Comeau
Comtois
Corbin
Côté (Richelieu)
Crossman
Cullen
Cyr
Danson
Davis
Deachman
Deakon
De Bané
Dinsdale
Dionne
Douglas (Assiniboia)
Downey
Drury
Dubé
Dumont
Duquet
Émard
Fairweather
Flemming
Forest
Forrestall
Fortin
Francis
Gauthier
Gendron
Gervais
Gibson
Gillespie
Givens
Godin
Goode
Goyer
Gray
Grills
Groos
Guay (St. Boniface)
Guilbault
Gundlock
Haidasz
Hales
Harkness
Hellyer
Hogarth
Honey
Hopkins
Horner
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Knowles (Norfolk-Haldimand)
Korchinski
Lachance
Laing
Lambert (Edmonton West)
Lang
Langlois
Laniel
Laprise
La Salle
Latulippe
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lind
Loiselle
Lundrigan
MacDonald (Egmont)
Macdonald (Rosedale)
MacEachen
MacEwan
MacGuigan
MacInnis
Mackasey
MacLean
Macquarrie
MacRae
McCleave
McCutcheon
McIlraith
McIntosh
McKinley
McNulty
Mahoney
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Marshall
Monteith
Moore
Morison
Muir (Cape Breton-The Sydneys)
Munro
Murphy
Nesbitt
Noble
Noël
Nowlan
Olson
Ouellet
Paproski

Peddle
Penner
Pepin
Perrault
Pilon
Portelance
Pringle
Reid
Ricard
Richard
Richardson
Ritchie
Roberts
Rochon
Rodrigue
Rondeau
Roy (Timmins)
Roy (Laval)
Rynard
Schumacher
Scott
Serré
Simpson
Smerchanski
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Southam
Stafford
Stanbury
Stewart (Marquette)
Stewart (Cochrane)
St. Pierre
Sulatycky
Sullivan
Tétrault
Thomas (Maisonneuve)
Thomas (Moncton)
Thompson
Tolmie
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Valade
Wahn
Walker
Watson
Whelan
Whicher
Whiting
Woolliams
Yanakis
Yewchuk—187.

Mr. Speaker: I declare the amendment lost. The question is now on the main motion. Call in the members. Is it the wish of the house that the roll be called now?

Some hon. Members: Agreed.

The house divided on the main motion (Mr. Stanfield) which was negatived on the following division:

YEAS

Messrs:

Aiken
Alexander
Alkenbrack
Baldwin
Beaudoin
Bell
Benjamin
Bigg
Broadbent
Burton
Carter
Coates
Code
Comeau
Dinsdale
Dionne
Douglas (Nanaimo-Cowichan-The Islands)
Downey
Dumont
Fairweather
Flemming
Forrestall
Fortin
Gauthier
Gilbert
Godin
Grills
Gundlock
Hales
Harding
Harkness
Horner
Knowles (Norfolk-Haldimand)
Knowles (Winnipeg North Centre)
Korchinski
Lambert (Edmonton West)
Laprise
La Salle
Latulippe
Lewis
Lundrigan
MacDonald (Egmont)
MacEwan
MacInnis
MacInnis (Mrs.)
MacLean
Macquarrie
MacRae
McCleave
McCutcheon
McIntosh
McKinley
Marshall
Matte
Monteith
Moore
Muir (Cape Breton-The Sydneys)
Nesbitt
Noble
Nowlan
Orlikow
Paproski
Peddle
Peters
Ricard
Ritchie
Rodrigue
Rondeau
Rynard
Schreyer
Schumacher
Scott
Simpson
Skoberg
Southam
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thompson
Thomson
Valade
Woolliams
Yewchuk—83.

NAYS

Messrs:

Allmand
Badanai
Barrett
Béchard
Blair
Blouin
Boulanger
Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Cantin
Chappell
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Crossman
Cullen
Cyr
Danson
Davis
Deachman
Deakon
De Bané
Douglas (Assiniboia)
Drury
Dubé
Duquet
Émard
Forest
Francis
Gendron
Gervais
Gibson
Gillespie
Givens
Goode
Goyer
Gray
Groos
Guay (St. Boniface)
Guilbault
Haidasz
Hellyer
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Lachance (Vancouver South)
Laing
Lang
Langlois
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
Mackasey
McIlraith
McNulty
Mahoney
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Morison
Munro
Murphy
Noël
Olson
Ouellet
Penner
Pepin
Perrault
Pilon
Portelance
Pringle
Reid
Richard
Richardson
Roberts
Rochon
Roy (Timmins)
Roy (Laval)
Serré
Smerchanski
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford

Division

Stanbury	Turner (Ottawa-Carleton)
Stewart (Cochrane)	Wahn
St. Pierre	Walker
Sulatycky	Watson
Sullivan	Whelan
Thomas (Maisonneuve)	Whicher
Tolmie	Whiting
Trudel	Yanakis—119.
Turner (London East)	

• (10:10 p.m.)

Mr. Speaker: I declare the motion lost.

Pursuant to Standing Order 2 (1) this house stands adjourned until two o'clock tomorrow afternoon.

At 10.16 the house adjourned, without question put, pursuant to standing order.

APPENDIX

REPORT OF THE ELEVENTH MEETING OF THE CANADA-UNITED STATES INTERPARLIAMENTARY GROUP

The Eleventh Annual Meeting of the Canada-United States Interparliamentary Group was held from March 20-24, 1968, in Washington and New Orleans.

During the month preceding these meetings, the Canadian delegation held several briefing sessions. Our Inter-Parliamentary Relations Branch and the Department of External Affairs organized the briefing of our delegates and the preparation of background papers on the various agenda topics. Officials from the Departments of External Affairs, Finance, Trade and Commerce, National Defence, External Aid, and Energy, Mines and Resources participated in the briefings. We were also fortunate in having the Minister of Defence and the Minister of Trade and Commerce devote an afternoon to discussing items on the Agenda with members of our delegation.

The Canadian delegation, led by the Honourable Alan A. Macnaughton, P.C., Q.C., arrived in Washington on March 20th at 2.30 P.M., aboard a Canadian Forces Yukon. Mr. Speaker Sydney J. Smith of the Senate, a participant in all previous meetings of the Group, was unable to attend due to illness. Mr. Speaker Lamoureux was also unable to take part as the House of Commons was in session. Their places were taken by two former Speakers, Honourable Alan A. Macnaughton, P.C., Q.C., of the Senate and the Honourable Marcel Lambert, P.C., M.P., of the Commons. The delegation comprised, in addition, the following parliamentarians: from the Senate, Hon. Donald Cameron (Alberta), Hon. L. P. Gélinas (Quebec), Hon. D. A. Lang (Ontario), Hon. H. A. Willis (Ontario), Hon. M. Grattan O'Leary (Ontario), and, from the House of Commons: Mr. James Byrne (British Columbia), Mr. Ovide Laflamme (Quebec), Mr. A. J. P. Cameron (Ontario), Mr. Herb Gray (Ontario), Mr. G. Roy McWilliam (New Brunswick), Mr. H. A. Olson (Alberta), Mr. Gaston Clermont (Quebec), Mr. J. R. Comtois (Quebec), Hon. Alvin Hamilton, P.C. (Saskatchewan), Mr. Wallace Nesbitt (Ontario), Mr. Robert Coates (Nova Scotia), Mr. Heath Macquarrie (Prince Edward Island), Mr. Heward Grafftey (Quebec), Mr. Roger Régimbal (Quebec), Mr. Andrew Brewin (Ontario), Mr. David Lewis (Ontario), Mr. C.-A. Gauthier (Quebec) and Mr. Howard Johnston (British Columbia).

The United States delegation was led jointly by Senator George D. Aiken (Vermont) and Congressman Cornelius E. Gallagher (New Jersey). Other delegates from the United States Congress were: Senators Allen J. Ellender (Louisiana), Michael J. Mansfield (Montana), Russell B. Long (Louisiana), William B. Spong Jr. (Virginia), Quentin Burdick (North Dakota), Bourke B. Hickenlooper (Iowa), John Sherman Cooper (Kentucky), Len B. Jordan (Idaho), Hirman L. Fong (Hawaii), Robert P. Griffen (Michigan); and from the House of Representatives: Mrs. Edna F. Kelly (New York), and Congressmen William T. Murphy (Illinois), Harold T. Johnson (California), Fernand J. St. Germain (Rhode Island), John M. Slack (West Virginia), James Kee (West Virginia), Mark Andrews (North Dakota), Robert T. Stafford (Vermont), Vernon W. Thomson (Wisconsin), John J. Duncan (Tennessee), and William S. Broomfield (Michigan).

Representative Thomas E. Morgan (Pennsylvania), Chairman of the House Committee on Foreign Affairs, served as an official observer.

Agenda and Proceedings

The Eleventh Meeting was formally opened in the Old Supreme Court Chamber of the U.S. Capitol with a Welcome to the delegates from Secretary of State Dean Rusk. Following the opening plenary session the delegates divided themselves into two working committees—one on Trade and Economic Matters and the other on Defence and Security Matters. Each Committee met three times.

Committee I

The Committee on Trade and Economic Matters met under the joint chairmanship of Senator Aiken and Senator Macnaughton. Representing the United States Congress were Senators Mansfield, Jordan, Ellender and Burdick and Representatives Andrews, Kelly, St. Germain, Thomson, Johnson, Duncan and Kee. Representing Canada were Senators Gélinas, Lang and Willis, and from the House of Commons, Hon. Alvin Hamilton,

Hon. Marcel Lambert and Messrs. Byrne, Laflamme, Gray, Olson, Clermont, Comtois, Grafftey, Régimbal, Lewis and Gauthier.

The Committee considered the following items on its Agenda:

1) Canada-United States balance of payments.
2) Post Kennedy round developments.
3) Foreign Investment and related Government policies.
4) Resource development matters (with particular reference to oil and gas).
5) Automative agreement.
6) Aid to developing countries.
7) Trade and Economic relations with Communist countries.
8) International Grains Agreement.

ELEVENTH MEETING CANADA-UNITED STATES INTERPARLIAMENTARY GROUP REPORT OF COMMITTEE I: TRADE AND ECONOMIC MATTERS

1. *Canada-United States Balance of Payments*

A United States delegate opened the discussion by stating the interdependence of Canada and the United States on trade and monetary matters. He pointed out that agreement had been reached earlier this month exempting Canada from new U.S. restrictions on investment abroad designed to ease the U.S. balance of payments problem, and expressed the hope that the cooperation between the two countries on monetary problems would continue and be effective. A Canadian delegate replied that Canada had a $1.3 billion deficit with the United States and welcomed the U.S. government's action, also expressing the hope that this type of cooperation would continue.

There was considerable discussion about labor-management problems in the two countries. A Canadian delegate expressed the view that the biggest worry for each country is over the possibility of inflationary wage settlements. Members of the U.S. delegation stressed that labor costs in both countries are rising faster than productivity. Canadian delegates pointed out that the lower productivity rate in Canada—due in part to the narrower market base—would create more serious difficulties as the two countries move closer to freer trade relationships. They referred to the recently announced intention of Canadian ministers to inaugurate measures of voluntary restraint and indicated that these would receive full support by the Canadian public. There was discussion by members of both delegations over the indirect impact on Canada of certain U.S. trade and monetary restrictions, such as the interest equalization tax. Canadian delegates expressed appreciation of the special measures adopted by the United States to mitigate the effects of these policies on the Canadian economy, but pointed out that in return Canada has had to adopt certain restraints which may affect its ability to respond flexibly to future international pressures. They stressed that the United States should therefore consider very carefully before it acts how such measures would affect Canada. It was also pointed out by another Canadian delegate that Canada finances a substantial portion of its deficit with the United States through its trade surplus with the rest of the world and not entirely with inflows of U.S. capital. The consensus of both delegations appeared to be that because of the inter-relationship of Canadian-U.S. economic affairs there should continue to be close consultation and cooperation on all matters affecting both countries' balance of payment positions.

2. *Post-Kennedy Round Developments*

Members of both delegations devoted considerable attention to foreign trade problems, giving particular attention to agricultural trade problems. Several Canadian delegates discussed the impact on Canada of the decline in U.S. farm prices, emphasizing the need for working out arrangements which will protect Canadian farmers from repercussions due to U.S. price declines. It was also pointed out that the U.S. Public Law 480 program has had an impact on Canadian export markets.

A United States delegate stated that it was not clear at this point what direction U.S. trade policy will take now that the Kennedy Round has been concluded but that trade liberalization remains the basic U.S. policy. A comprehensive study of trade policy is now under way in the Executive Branch, he said, and this study will cover exploration of possible special trade arrangements with Canada, such as a North Atlantic Free Trade Area or a Canada-U.S. Customs union. There was considerable discussion by members of both delegations over possible rise of protectionist sentiment in the United States. Members of the Canadian delegation expressed their hope that the free trade movement would continue

uninterrupted and expressed fears that passage of protectionist type measures could have a severe adverse effect on this trend. Several U.S. delegates expressed the opinion that protectionist measures are not likely to become law, pointing out that the President has stated publicly that he will veto such bills.

A U.S. delegate said that American agriculture is in a very depressed state and that farmers are quite concerned about trade agreements which seem to be working to their disadvantage. There was general agreement that, contrary to previous hopes, the Kennedy Round had not resulted in freer access to European markets for U.S. and Canadian farmers.

A member of the Canadian delegation in discussing the outlook for wheat pointed out that there will be great pressure on world wheat supplies in the next few years and that the United States and Canada have a responsibility to work together to try to stabilize wheat prices, since the United States and Canada are the only producers with adequate storage facilities. Talks for this purpose are going on between the two countries now, he stated. A U.S. delegate pointed out that the United States had an unsatisfactory, inefficient arrangement for selling wheat abroad which was neither governmental nor private. To make the system work better, he said, the government should either get more in or more out of the picture. There was also discussion of a number of common agricultural problems, such as those affecting the dairy and beef industries.

A member of the Canadian delegation pointed out that the Canadian government has stated that it would take retaliatory action if the United States imposed border taxes or imposed similar measures and expressed the hope that nothing would develop along these lines. In reply, a U.S. delegate said he could not conceive any such action coming to pass. There was general agreement that movement in this direction would have a very harmful effect on both countries.

3. *Foreign Investment and Related Government Policies*

A United States delegate opened the discussion by stating that it is understandable there should be concern in Canada over U.S. investments. He suggested that discussion on the recent report of the Canadian Task Force on Foreign Ownership and the Structure of Canadian Industry might prove helpful to both countries in clarifying the issues and problems involved. He added that he also appreciated the concern felt by many Canadians over the issue of the extra territorial application of U.S. laws so far as Canadian subsidiaries of U.S. firms are concerned. The basic law governing trade with Communist countries is not likely to be changed as long as the Vietnam war continues.

The most serious aspect of the foreign investment problem for Canada is the extra-territorial application of U.S. laws to U.S. subsidiaries in Canada, a Canadian delegate stated. The measures taken to ameliorate the U.S. balance of payments problem have shown that the U.S. can take steps to remedy its own situation which have unintentional repercussions on Canada. The U.S. should not be surprised if Canada should take steps to remedy Canadian situations which may have repercussions in the U.S.

A U.S. delegate pointed out that large U.S. corporations these days are in effect international or multinational. He said that they often are better received abroad than U.S. Government policies propounded by U.S. diplomats. There followed some general discussion of the growth of large international corporations which it was agreed creates serious problems of control for governments.

Several Canadian delegates indicated that they are not opposed to U.S. investment in Canada and cited beneficial results in specific cases. Canadians accept the need for and value foreign investments.

4. *Resource Development*

A Canadian delegate referred to the agreement reached in 1959 that Canada would continue to import oil, chiefly Venezuelan, but would expect a roughly equivalent export market in the Northwest United States. This situation of parity has not yet been reached but progress is satisfactory. In view of the presently developing exports of Alaskan oil into the Northwest, Canada will hope for expanded markets in the Northeast. He expressed confidence in the competitive machinery for price determination on natural gas but suggested that the two governments should formulate guidelines on this point within which the Federal Power Commission and the National Energy Board could operate.

Members of both delegations discussed new approaches for distribution of natural gas in the Northeast part of the United States. There was also some discussion of new methods

being explored in both countries for expanding power production.

5. *Automotive Agreement*

A United States delegate opened the discussion by describing the benefits that have accrued to both countries as a result of the automotive agreement.

A Canadian spokesman also stressed the benefits to both countries. It has enlarged the market for U.S. producers and thus protected thousands of U.S. job-holders. If there had not been such an agreement, Canada would probably have had to move to higher tariffs, quotas and other devices which would have had bad effects in the U.S.A. He suggested that during the review which is now under way in accordance with the terms of the agreement, some of his U.S. colleagues might be tempted to suggest that the safeguards for Canadian production incorporated in the agreement are now unnecessary or should at any rate be modified. He gave three reasons why they are still necessary: (a) U.S. purchasing agents are still not adjusted to taking full advantage of Canadian production; (b) there is still a 20-30% productivity-gap in Canada's disfavor; (c) Canadian producers still have not adjusted completely to different U.S. procedures for inspection, etc.

The U.S. spokesman replied that he was not aware of serious pressure for removal or modification of these safeguards, although it is under consideration whether modification would be desirable.

There followed a discussion of motor vehicle and highway safety standards. A Canadian delegate pointed out that since motor vehicle design is centered in the U.S., Canada is dependent upon U.S. standards in this field. He said that the 1966 Act is a good beginning but that there is still a long way to go. A U.S. delegate replied that the 1966 Act is only the first step. There will have to be a two-pronged attack on motor vehicle safety and on highway safety as well. The second is a complicated issue involving more than one level of government and including problems both of high design and law enforcement. He expressed confidence that progress is being made in all approaches.

6. *Aid to Developing Countries*

A Canadian delegate opened the discussion by saying that in Canada there is a review of the external aid machinery to determine whether Canadian aid is going where it will do the most good. Secretary McNamara's speech in Montreal two years ago wisely stressed the connection between external aid and defense in the broad sense. In Canada there is concern that the global level of aid has gone down at the same time as the GNP in the donor countries has gone up. Since 1960 Canada has stressed soft loans rather than grants and has coordinated its aid with other countries and through the World Bank. The Canadian aid target for 1970 is 1% of the gross national income. At present the aid level is .6%.

In the discussion of the U.S. foreign aid program, it was agreed by the U.S. delegates that the President's aid request for next year would meet considerable opposition in Congress due in part to the heavy costs of the Vietnam war. Though one U.S. delegate feared that the entire aid bill might be rejected, the consensus was that the authorization would be passed at a substantially reduced level.

A Canadian delegate introduced the idea that the time has come to adopt a "multilateral pool" approach to aid. It was suggested that under the bilateral system the donors reap ill-will rather than good and that in a multilateral system it would be possible to blur the distinction between donor and donee since all would contribute something and aid would become in a sense anonymous. The group displayed considerable interest in this idea. U.S. delegates pointed out that much of the opposition to further aid efforts now expressed in the U.S. arises from sensitivity at the seeming ingratitude of the recipients. They agreed that the multilateral approach, probably through agencies of the United Nations, would be helped in this regard. A Canadian delegate described the successful implementation of the World Food Program by the FAO and suggested that a tough international administrator can often take a stronger stand against local peculation or incompetence than is possible for national officials. He suggested that the U.S. and Canada could cooperate in pressing for a multilaterally organized program of international aid.

7. *Trade and Economic Relations with Communist Countries*

Opening the discussion on trade and economic relations with Communist countries, a U.S. delegate stated that Canada and the U.S. pursue different policies. Canada favors increasing trade with all countries but the United States takes a very selective approach to trading with the Communist world. The

President has proposed legislation to remove certain restrictions on trade with Communist countries but no positive action by Congress can be expected in this direction as long as the war in Vietnam continues. He said that he appreciated Canadian concern over the impact of U.S. trade restrictions on Canadian subsidiaries of U.S. firms. Another U.S. delegate said that the attitude of Congress on this issue only reflects the thinking of their constituents.

A Canadian delegate said that the Battle Act did not bother Canadians so much as the Cuban control regulations. He was unable to understand why the U.S. should control the actions of long-time Canadian residents.

There was considerable discussion about trade with Communist China. A U.S. delegate said he had not heard of any U.S. protests over Canadian wheat sales to China and pointed out that U.S. wheat exports increased after Canada began selling to China. A Canadian delegate said that they had found their traders very effective in their relationships with the Chinese. Another referred to the effect of subsidized U.S. flour exports in making inroads on traditional Canadian markets expressing the hope that the grains agreement will result in solving this problem.

Members of the Canadian delegation stressed that trade with the Communist world was in the political interests of both the U.S. and Canada. Some members of the U.S. delegation expressed their agreement with this view, stating that one of the most effective means to combat Communism is to encourage growth of consumer demand in the Communist world and a general expansion of trade between East and West. It was said by one U.S. delegate that our trade policy toward China since the Communists gained control had been very ill-advised. As to getting restrictions on trade with Communist countries removed, U.S. delegates agreed that although the President had requested Congress to Act, there was little chance that the Congress would move in this direction so long as the Vietnam war goes on.

A U.S. delegate cited the 50-50 restriction on shipping grain as a factor limiting any wheat sales to the Soviet Union, and said that the longshoremen's unions are very powerful in preventing easing of East-West trade restrictions.

Several Canadian delegates referred to the extra-territorial effect of U.S. trade restrictions on Canadian firms seeking to expand commercial markets with Communist countries. Canadian managers of many subsidiaries of U.S. concerns are reluctant to risk running afoul of U.S. trade regulations. Canadians, they said, believe that commercial decisions should not be influenced by the political policies of the country of the parent. U.S. delegates agreed that U.S. policy should not control actions of Canadian firms.

There was general agreement among members of both delegations that expansion of East-West trade worked to the political and economic advantage of both countries, but that the Vietnam war was a severely limiting factor at present.

8. *International Grains Agreement*

A Canadian delegate opened the discussion by saying that the principal question as Canada sees it is what action will be taken by the United States before July 1 when the new price range for wheat under the IGA comes into effect. Present prices in the U.S. are about 22¢ below the new floor price and Canada is interested to know how the U.S. will approach the problem of getting its prices up to the agreed level.

A U.S. delegate replied that the Senate hearing on the IGA begin next week. There seemed to be general agreement among the U.S. delegates that farm opinion in the U.S. is in favour of the IGA and that it will consequently be ratified. The view was, however, expressed by one U.S. delegate that during the past 18 months world wheat marketing had not been working as far as the U.S. was concerned. He thought that the importance of the IGA had perhaps been exaggerated.

Another U.S. delegate asked whether an increase of 22¢ per bushel in the wheat price would be likely to lead to larger production in other countries such as France and the Argentine. Canadian delegates pointed out that this did not happen some years ago when wheat prices were considerably higher than they are now. In their view, if the United States and Canada stand together it is unlikely to happen at the present time.

Committee II

The Committee on Defense and Security was co-chaired by Congressman Gallagher and Mr. Wallace Nesbitt, M.P. Representing the United States Congress were Senators Hickenlooper, Cooper, Long, Griffin, Fong and Spong and Representatives Broomfield,

Murphy, Slack, Stafford and Morgan. Representing Canada were Senators Cameron and O'Leary and from the House of Commons, Messrs. Cameron, McWilliam, Coates, Macquarrie, Brewin and Johnston.

The Committee considered the following items on its Agenda:

1) State of the NATO Alliance (with particular reference to the Harmel study)
2) Co-operation for continental defense
3) Policies toward Communist China
4) Vietnam
5) Non-proliferation Treaty

ELEVENTH MEETING CANADA-UNITED STATES INTERPARLIAMENTARY GROUP REPORT OF COMMITTEE II: DEFENSE AND SECURITY MATTERS

The U.S. Chairman opened the first session of the Committee on Defense and Security Matters by emphasizing that 1968 was a year for stock-taking and reassessment. He noted the current and forthcoming changes in political leadership in both countries, the urgent public demands by the population for re-examination of policies and the worldwide phonomenon of challenge to the past. He also noted that in 1968 it was necessary to consider the fact that the NATO treaty allowed for reassessment of its existence after 20 years and that the NORAD treaty between the U.S. and Canada was expiring on May 12, 1968. He then suggested that the Committee give its first attention to NATO, to an examination of the changing Soviet threat, the consequences of this changing threat to NATO itself, the demands for a reduction in troop levels, the effects of the non-proliferation treaty and the recommendations of the Harmel Report.

The majority of Canadian delegates supported the view that a new approach to the NATO Alliance was required and had been recommended by, among other things, the Harmel Report which called for positive action of NATO in the economic and political fields in addition to its traditional military role. It was pointed out that the Harmel Report emphasized that one of NATO'S major roles was to coordinate plans for promoting a detente and the question was asked as to whether or not NATO as it exists today can be used for such a purpose.

A Canadian delegate pointed out that although the official Canadian Government position on NATO had not changed, NATO had become an alliance leading to considerable moral questioning on the part of the Canadian people.

The U.S. delegation noted the increased Soviet military threat in the Mediterranean; particularly that the Soviet Union had increased the number of submarines in that area and was looking to NATO's defense in southern Europe as the soft part of the world. Italy particularly was reported to be very fearful of the possibility of a Soviet threat. The Soviet submarine fleet had developed greatly increased strength on a worldwide basis and was now able to extend its operations to long distances from its European home base. The Soviets are developing ship-borne surface-to-surface missiles and these could be a threat to surface ships of the U.S., U.K. and Canada.

The Soviet Union was beginning to use naval bases in the United Arab Republic and Syria, and there was a real possibility that it might be able to use bases in Algeria. Soviet technological developments enabled Soviet submarines to transit the exit from the Black Sea without technically violating the Soviet-Turkish agreement concerning the use of the Straits.

There was an interesting review of the apparent Soviet desire to control Middle Eastern oil resources if not for its own use then to deny it to the prime purchasers in Western Europe. One member of the U.S. delegation felt that while the Harmel report's recommendations for a detente were helpful, the new ingredient of an increased Soviet threat in the Mediterranean was so important that it could not be ignored.

Some concern was expressed by the Canadian delegation as to the consequences of control by the Soviet Union over the Middle East oil resources. An agreement seemed to have been reached that such control would create a very significant threat to the economies of Western Europe.

Another member of the U.S. delegation emphasized that the nature of the Soviet threat must also be evaluated in terms of the failure of the Soviet Union to give any indication of a willingness to seek a mutual troop reduction in central Europe despite proposals on this matter. In this connection, members of the U.S. delegation indicated that an assessment of possible U.S. troop reductions was currently in progress and would be discussed during the next few weeks.

One U.S. delegate noted that as far as U.S. troops in Europe are concerned, the recent development of large transport aircraft may make it possible for the U.S. to withdraw some of these troops from Europe and airlift them very rapidly to that continent should they be needed.

A Canadian delegate expressed deep concern about the attitude of the West German Government at this time. It seemed to be moving towards an attitude with respect to NATO similar to that of France.

One member of the U.S. delegation emphasized that when NATO was established, it had not been envisaged that the U.S. would supply the bulk of the ground forces but rather that the U.S. would provide strategic air and naval power with the European countries supplying the bulk of the ground troops. This has not worked out in practice.

It was emphasized that NATO was part of the total defense against the worldwide Soviet threat and the U.S. is required to maintain its strength not only in NATO but elsewhere. The NATO countries have been interested in arms reduction to bring about a detente and in weaning away some of the eastern European countries from central Communist domination. This was all to the good and NATO should be used to lessen global tensions. The U.S. interest in this was not only the interest in lessening global tension but to free U.S. military forces to accept responsibility elsewhere.

The U.S. delegation emphasized that while more could be done by NATO in the political field, the NATO countries should not be lulled into an unwarranted sense of security.

A member of the Canadian delegation mentioned that because of the nuclear stalemate existing in the world today the Soviet Union had shifted its approach and had concentrated on political and economic strategy. It was felt that if NATO remained exclusively military it would not be in a position to respond to much political or economic activity from the Soviet Union.

In closing this discussion, one member of the U.S. delegation said that a reduction of U.S. troop strength in Europe, which would be useful to the U.S. in carrying its worldwide responsibilities, might also be a meaningful gesture in the direction of a detente.

The U.S. Chairman opened the second session by suggesting a discussion of the North American Air Defense Agreement (NORAD). He recalled that the agreement expires on May 12, 1968 and that it was desirable that there be an evaluation of the threat and the weapons available to meet that threat.

A Canadian delegate said that the Government of Canada made clear its intention to renew the Agreement but also made clear that it does not wish to participate in the ABM system.

A Canadian delegate mentioned that he was not opposed in principle to an anti-bomber defense system but questioned whether or not an active anti-bomber defense is warranted in terms of its financial cost. Quoting a recent speech by Secretary of Defense McNamara which mentioned that anti-bomber defense alone could not significantly reduce destruction if an attack occurred, it was mentioned that if such were the case Canada did not think that it could afford the continuation of such an anti-bomber defense system.

It was also pointed out by a Canadian delegate that the major defense of the American Continent was not any of the purely defense measures that are taken but rather the tremendous offensive power of the U.S. and that therefore an anti-bomber defense system might be quite obsolete in fact.

The members of the U.S. and Canadian delegations reiterated the view that the bomber threat from the Soviet Union continues to be an active threat against the North American continent and that a defense against this threat is as vital as defense against more sophisticated weaponry. Indeed, the U.S. had learned the lesson that a defense against more conventional weapons, in this case the manned bomber, was as important as a defense against more advanced threats.

In this discussion, the members of the U.S. delegation repeatedly emphasized that the U.S. would want Canada to exercise complete sovereignty over its territory; and that it would not wish in any way to impose on that sovereignty if Canada should choose to deny the use of its territory to the joint defense of the continent.

One Canadian delegate mentioned that the East Coast of Canada had no defense system to protect it against Soviet submarines and suggested that the NORAD Agreement might be modified to encompass not only air defense systems but also measures against sea and underwater threats. It was pointed out that although there have been in the recent past seven penetrations into Canadian controlled air space from Soviet bombers there was also

evidence that Soviet submarines were positioned around the coast of Canada, perhaps even in the Hudson Bay. This, in the opinion of the Canadian delegate was a much greater threat to Canada than bombers.

In the field of anti-submarine warfare, a member of the U.S. delegation emphasized, U.S.-Canadian cooperation was also essential. There needed to be a true joint effort in the anti-submarine warfare field particularly in light of the increasing Soviet submarine threat.

The members of the U.S. delegation then reviewed the air and space threat to the North American continent as they saw it. They were convinced, and informed by the U.S. military establishment, that the Soviet bomber threat would continue to exist at least into the mid-70's. In addition to this, the Soviet Union would always have an effective ICBM threat. While members of the U.S. delegation had serious reservations about an ABM system, particularly because of its high cost they recognized that the U.S. had to maintain its research and development in this field as well as in offensive weaponry and considered that the deployment of the so-called thin ABM system was primarily designed to continue effective U.S. development of this weapon. Otherwise, the Soviet Union would have an opportunity to be far ahead of the U.S. in this field. In this connection, the members of the U.S. delegation emphasized that the Soviet Union had refused on repeated occasions to discuss the U.S. proposed mutual limitation on the further development of ABM/ICBM systems.

In his opening statement a Canadian delegate mentioned that sooner or later the West will have to normalize its relations with mainland China. Who will initiate this move and when was the main question. It was suggested that Canada, because it already has a toe in China because of its commercial relations, could be helpful to the Western world in taking the initiative. The Canadian delegation was unanimous in recommending that formal recognition of mainland China should be arrived at as soon as practicable. Although some members of the Canadian delegation mentioned that Communist China should also be admitted to the United Nations, the majority thought that admission to the United Nations of Peking at this time would be highly disruptive.

A member of the U.S. delegation indicated that hearings on the subject of the future U.S. role in Asia are now in progress and offered to make the record of these hearings available to the Canadian delegation. While the U.S. does not recognize Communist China and has no present intentions to do so, there have been a continuing series of diplomatic contacts between the two countries first at Geneva and most recently in Warsaw. The U.S. has used this channel to indicate to the Communist Chinese that it does not contemplate any military action against them and does not intend to intervene in their internal affairs. The U.S. has attempted to further these contacts by establishing relations in the cultural and journalistic fields but these have so far not met with any positive Communist Chinese response.

The members of the U.S. delegation held that the issue of seating Communist China was presently inappropriate, and untimely, particularly since the efforts to seat Communist China at the United Nations were losing support from other quarters including from some of the African nations. It was also necessary to explore what the effects of recognition would be on China's more immediate neighbors such as India and Burma.

It was emphasized several times that there was no visible indication on the part of China of a desire to establish relations with the U.S. and indeed Communist China had made numerous demands before it would be willing to enter the United Nations. Finally, it was emphasized that in the minds of the American people, any future steps toward recognition of Communist China were intimately coupled with the events in Vietnam and there was not likely to be any change until the problems of Vietnam were settled.

There was also some discussion of a possible Canadian recognition of Communist China and of the effects that such a step would have in the United States.

During the discussion on Communist China, one of the members of the Canadian delegation suggested that the Committee seek the knowledge and experience of one of the members of the Canadian delegation who was not present at the time at the meeting. Later in opening a discussion on the Vietnam question the Co-chairman from the American delegation mentioned that the crux of the matter regarding Vietnam was that there existed a number of alternatives or courses of action that could be taken by the United

States Government, namely withdrawal of forces, a continuation of the present effort, or further escalation. The Co-chairman called in the Canadian expert to relate his experiences with China and try to combine this discussion with the Vietnam problem. The Canadian delegate mentioned that he was first in touch with the Chinese authorities in 1960 in connection with the cash sale of wheat which was finally ratified in January 1961. He mentioned that Chinese authorities at the time were eager to move out of their self-isolationism and expand commercial relations with other parts of the world. This was viewed by the Canadian delegate as an opportunity for the American Government to come in with the Canadian Government on the grain sales to Communist China. The Canadian delegate at the time visited with President Kennedy who was impressed by the proposal but later said that the American Government would be aggreeable to give China all the grain they wanted if they only asked for it. This was felt unacceptable by the Chinese authorities and the deal never came through.

The Canadian delegate stressed the considerable difference in China between the "politicians" and the "trade people." The politicians were idealists, believing that the nature of a whole generation could be changed by political action and measures. They were considered very dogmatic whereas the trade people were much more practical and down to earth in their beliefs and dealings.

During a visit to Peking, the Canadian delegate was called in by the Prime Minister, Chou En-Lai, who exposed what were the three main points in Communist China's foreign policy. The first and most important one was the recovery of all territories that China possessed before 1900, namely, territories now held by Korea, Taiwan, and the Soviet Union.

Another objective in their foreign policy was to modify the relationship existing between the major powers and the countries on which they exerted their influence. This applied to both the Soviet Union and the United States of America. The third objective of Peking's foreign policy was to take over the lead in the world Communist movement. Chou En-Lai felt that they were best suited to take that lead because he believed that no white man could understand what it is to be a colored man.

On the Taiwan question Chou En-Lai was reported to have said that the crucial problem was that Taiwan was inhabited by 10 million original Taiwanese in addition to 2 million or so refugees from mainland China. Chou En-Lai accepted the principle of self-determination and mentioned that these 10 million original Taiwanese should eventually have the opportunity to express their views on the question.

The Canadian representative mentioned that mainland China at the moment is getting ready for a big confrontation with the Soviet Union. It was not contemplating any confrontation with the United States at this time but feared it and was willing to fight if need be. It was a significant fact, the Canadian delegate said, that the majority of young Chinese children learned as their second language the English language and also that Chinese have never attacked the Americans, but rather the ruling class of America which they considered imperialistic. The Canadian delegate mentioned that the main difference between Communist China and the great powers stems from the fact that China traditionally has considered itself the greatest culture and the centre of the world and that it resents deeply the cultural superiority of the other great powers.

The Canadian delegate also mentioned and in this also concurred with Americans and other Canadian delegates who spoke earlier, that the cultural revolution had been a failure and that the managerial class seemed to be progressively taking over from the politicians.

The discussion then turned to Vietnam and the U.S. delegation inquired of the Canadian delegate who had related his experience in China whether he had any views that might be helpful to the U.S. in arriving at a termination of the struggle in Vietnam. The Canadian delegate responded by indicating that he thought that the U.S. must establish a dialogue with Communist China and that if China thought that it could obtain what it desired in Taiwan even if this was many years away, it might then put pressure on Hanoi by reducing military supplies to that government and thereby helping to end the war in Vietnam.

One of the Canadian delegates asked the U.S. side to define the current U.S. objectives in Vietnam. A U.S. delegate indicated that it was the objective of the U.S. to find a way of terminating the conflict but we have found no

set way of accomplishing this aim. In response to a suggestion as to the possibility of a Korean-type settlement, the U.S. delegate indicated that a Korean-type settlement was entirely acceptable.

U.S. policy was then reviewed and a U.S. delegate pointed out that the policy of the U.S. in Vietnam to resist the aggression from the north had not changed.

A Canadian delegate asked why the U.S. could not accept the suggestion of U.N. Secretary General U Thant that the bombing be terminated and assume that the U.N. Secretary General was correct in his report that discussions would follow within two weeks thereafter. The U.S. delegate reviewed the results of previous bombing pauses and the frustration which these had meant for U.S. efforts to obtain a peaceful solution. In all cases, North Vietnam had taken advantage of the bombing pauses to resupply its own people and the long bombing pause in early 1966 had failed to lead to any meaningful discussions in spite of the fact that all possible intermediaries had been urged to seek a solution. One U.S. delegate pointed out that peace was difficult to obtain with the Communist world. Even in Korea there was no negotiated peace 15 years after the war had ended. Every proposal which had been made had been flatly rejected. One member of the U.S. delegation wanted to clarify that in spite of the dissent and debate currently in progress in the U.S. and particularly in the U.S. Congress, not a single U.S. Presidential candidate was advocating unilateral U.S. withdrawal from Vietnam. This U.S. delegate recapitulated the positions of the two Democratic candidates for the Presidency who are opposed to President Johnson's Vietnam policy and showed that the positions of Senators Kennedy and McCarthy did not involve a unilateral withdrawal but only a reduction in the conflict and a call for greater activity by the South Vietnamese forces. It was pointed out that the major thrust of the Administration's policy in Vietnam was also a reduction in the conflict and a phasing out of the war. So far Hanoi has not responded to this desire.

One U.S. delegate clarified the cause of the frustration of the American people and pointed out that millions of people were involved both with the soldiers in Vietnam and the potential draftees but in spite of these frustrations, it seemed clear to the members of the U.S. delegation that there has to be a meaningful response from North Vietnam before the bombing could simply be stopped. The U.S., it was pointed out, cannot take the initiative if the other side does not respond. The suggestion that Canada could act as an intermediary if through her contacts she was able to bring about discussions with the North Vietnamese was again reiterated. One member of the U.S. delegation also informed the Committee of the plan suggested by a number of Members of the U.S. Congress for a phased de-escalation of the bombing provided there were verifiable reciprocal responses on the part of the North Vietnamese.

In conclusion, it was recognized that there were no easy, ready solutions to be offered, that it would be necessary to explore every avenue of a possible termination to the conflict and that there was recognition of the desirability, as suggested by one member of the Canadian delegation, of reaching and communicating directly with the Communist Chinese government in Peking.

There was a consensus in the Committee on the part of the U.S. delegation that the U.S. has certainly the will to end the war in Vietnam. So far we have not summoned a way.

The majority of the Canadian delegates indicated great sympathy with the difficulties of the U.S. in Vietnam and indicated that if Canada could be helpful in any way it would be glad to do so.

Visit to the United States Senate

The following is an excerpt from the Congressional Record of the Senate of the United States of America, March 21, 1968.

VISIT TO THE SENATE BY CANADIAN MEMBERS OF THE CANADIAN PARLIAMENT

Mr. Aiken: Mr. President, today the Senate is signally favored with a visit from our neighbours to the north—the best neighbours any country could possibly have.

Certainly our long record of an unfortified frontier, our cooperation with Canada in rendering assistance to less fortunate peoples, and the freedom with which we travel each other's country, should be an example in democracy which all nations could well observe and emulate.

While I am not going to call upon each one of them to make a speech to the U.S. Senate, I am going to read the names of our distinguished guests from the Canadian Parliament

so that they will appear in our Congressional Record.

Before escorting them into the Chamber, I assured them that they would be able to see at least three or four Senators. I am very proud to say that they have seen 81 out of 100, which is something of a record and most appropriate to tie in with their visit.

(Here Senator Aiken read into the Record the names of the Canadian delegation.)

Senators will note that I have read the names of several Canadian political parties. They have more than we do. They also have more candidates for Prime Minister of Canada than we have for President of the United States. I believe they have 14 candidates for Prime Minister, and we have four or five candidates for President. So they are ahead of us there.

Mr. President, we are very proud to have our Canadian friends visit us here today. They are attending the 11th meeting of the Canada-United States Interparliamentary Group. We are discussing problems which, in most cases, turn out to be of mutual concern. Our visitors will be in Washington today and tomorrow, and I hope that every Senator will have the opportunity to meet them.

Mr. Mansfield: Mr. President, will the Senator yield?

Mr. Aiken: I yield to the Senator from Montana.

Mr. Mansfield: Mr. President, on behalf of the distinguished minority leader, the Senator from Illinois (Mr. Dirksen), and myself, I wish to say, on behalf of the Senate, that we join in the welcome which the distinguished senior Senator from Vermont has just extended to our Canadian colleagues of the House of Commons and the Senate. It is good to have such neighbors among us. We learn more from them, I am sure, than they learn from us. We always find their advice and counsel is valuable. We know that we can expect that in a hard and fast manner and on a bedrock basis. We feel we are the recipients of a basically sound and enduring friendship.

So, Mr. President, on behalf of the senior Senator from Vermont, the distinguished minority leader, myself, and all the Senate, and as a mark of respect and affection on the part of our colleagues, I ask unanimous consent that the Senate stand in recess for 5 minutes for the purpose of having Members of the Senate greet our Canadian colleagues. (Applause, Senators rising.)

The Presiding Officer: Without objection, it is so ordered.

Thereupon, at (2 o'clock and 31 minutes p.m.) the Senate took a recess.

Ladies Program

While their husbands participated in the meetings, the wives of the Canadian delegates were escorted on a sight-seeing tour by their American counterparts. After a tour of the Capitol, the ladies visited Mount Vernon before lunch at the Old Club Restaurant. During the afternoon they visited Old Alexandria, including such interesting spots as the Old Apothecary Shop, Ramsay House, Gadsby's Tavern and Christ Church.

On Friday morning the ladies toured the White House and visited Arlington National Cemetery and the Grave of President Kennedy before joining their husbands at Andrews Air Force Base for the flight to New Orleans.

Social Program

The Canadian Delegation were met by their United States colleagues and the Canadian Ambassador at Andrews Air Force Base on arrival in Washington. In the evening a reception was given by the Canadian Ambassador and Mrs. A. E. Ritchie, after which American delegates hosted small dinner parties for their Canadian colleagues at some of the choice eating places in Washington.

On Thursday a luncheon was given at the Capitol by the United States Co-Chairmen, Senator Aiken and Congressman Gallagher. That evening a reception and dinner was given by the United States Delegation at the museum of History and Technology of the Smithsonian Institution. All those present were able to tour the Museum and take advantage of the opportunity to see these renowned exhibits and collections of Americana.

On Friday afternoon both delegations departed for New Orleans. That evening the delegations were guests at a reception given by the Canadian Consul General in New Orleans and his wife, Dr. and Mrs. R. G. MacNeill. After this reception the delegations split into two groups for dinner at two of New Orleans' most famed restaurants—Antoine's and Arnaud's.

The following day the delegations were conducted on an interesting and informative guided tour of the Michoud Facility of the

National Aeronautics and Space Administration. That evening the United States Delegation hosted a dinner at the Plimsoll Club in the International Trade Mart.

On Sunday a tour was provided of the many historic and interesting places in New Orleans and vicinity. In the late afternoon both delegations returned to Washington where the Canadian Delegation boarded a Canadian Forces Yukon for the return flight to Ottawa.

Alan A. Macnaughton, P.C., Q.C.,
Senate.

Marcel Lambert, P.C., M.P.,
House of Commons.

Ottawa,
September 16, 1968.

HOUSE OF COMMONS

Wednesday, March 26, 1969

The house met at 2 p.m.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

Fifth report of Standing Committee on External Affairs and National Defence—Mr. Wahn.

[*Translation*]

EXTERNAL AFFAIRS

STATEMENT BY PRIME MINISTER AS TO DISCUSSIONS IN WASHINGTON WITH PRESIDENT NIXON

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I wish to report briefly to the house on my recent meeting with the President of the United States.

If I were asked what has been the most significant result of the events of the last two days, I would say without hesitation that it is the fact that the groundwork has been laid for co-operation and consultation between our two governments, which will allow for the holding of consultations at all levels, the official level, the ministerial one and that of the leaders of governments.

[*English*]

I should report as well the significance, in my view, of the fact that President Nixon set aside some time so early in his new administration to receive the Prime Minister of Canada. No other country is as important to Canada as the United States; it is therefore reassuring to know that we have at this early date established the contacts and fortified the channels of communication so necessary to the effective conduct of our relations.

A number of matters were discussed by the President and myself, by the Secretary of State for External Affairs and his counterpart Mr. Rogers, and by other officials. These discussions led to a confirmation of the Canadian-United States commitment to the continued expansion and freedom of world trade, to agreement with respect to our community of interest in the expansion of energy movements across our border, and a confirmation of the importance of an early solution to the current wheat marketing problems.

I wish to add that we were given a very full explanation of the reasons which led President Nixon to initiate the Safeguard anti-ballistic missile program, and these I intend to convey to cabinet at the earliest opportunity so that Canada's attitude may be determined.

It was further agreed that a meeting of the joint cabinet committee on trade and economic policy will be held on June 25, 26 and 27.

I do not wish to sit down without saying that I found in President Nixon a warm and understanding friend of Canada, a man with whom I shall be able to speak on behalf of Canadians in a frank yet genial fashion. For this I am very thankful. To further this good beginning I extended to the President and to Mrs. Nixon a warm invitation to visit Canada at their earliest convenience.

Some hon. Members: Hear, hear.

Mr. Trudeau: I am happy to note that we all look forward to that event and that the house welcomes it.

Hon. Robert L. Stanfield (Leader of the Opposition): My first words are to extend to the right hon. Prime Minister a very warm welcome back to the country and to parliament. This was the first meeting between the Prime Minister and the new President of the United States. In the space of two days, and from their initial encounter it would probably be unrealistic to expect much more than that the leaders of the two governments should exhange views on important subjects that are of mutual concern to the countries, and that they would establish a relationship as leaders of governments which could easily be drawn upon in the future to our mutual advantage. I think it is quite apparent from what has been said that the Prime Minister and Mr. Nixon have begun to establish this kind of relationship. This is a very constructive development.

At least two serious economic problems were discussed, oil and wheat. It was apparently agreed to hold meetings at the official level between the two countries to discuss the

oil policy. Certainly there is more insecurity and apparently there is a greater danger to the Canadian oil industry today than there has been for ten years or more. The importance of the decision to hold meetings between officials of the Canadian and U.S. governments on this question is obvious enough. I assume that no other consensus was reached by the Prime Minister and the President, and I hope that at some stage we may have some further enlightenment from the Prime Minister as to what proposals, if any, were put forward on behalf of Canada. I suggest that in recent times there has been far too much secrecy about the oil policy. We need to know where we stand. Indeed, I think it would be useful for this house to contribute to the position that the government of Canada should take concerning our petroleum industry.

• (2:10 p.m.)

No serious consideration has been given by the government to the development of a national oil policy and this has certainly caused great concern in western Canada and elsewhere, where the importance of a strong Canadian oil policy is recognized. I hope it will be possible for one of our standing committees to inquire publicly into the requirements of an up to date national oil policy and to call in for consultation representatives of the industry.

On the question of wheat, it was agreed, I gather, that our two countries would press for a meeting of the major exporting countries. Again, this was the obvious decision for Prime Minister and President to take. There is of course a grave situation confronting Canada and our western wheat growers, and I wonder whether as a result of the meetings between the President and the Prime Minister we have in fact agreed on an approach to be taken at such a meeting of exporters and, if not, whether we contemplate coming to some agreement in this regard before the meeting takes place. Our grain exporters and farmers need to know what approach is to be taken, with a view to restoring our position in the world markets. Farmers have experienced a difficult year and they are now trying to make their plans.

The fact that the A.B.M. decision and the meetings in Washington came so close together served to focus attention on the uncertainty which still exists as to the nature of relations between Canada and the United States, particularly in connection with defence. I suggest the Prime Minister has done nothing so far to reduce this uncertainty. He did not indicate when parliament or the country could expect a definite statement with regard to the decision of President Nixon to proceed with the so-called Safeguard A.B.M. system. I suggest to the Prime Minister that he is really running out of excuses to hide behind.

During the discussions in this house on the subject last week, the right hon. gentleman indicated that he wished to remain silent on the question of Canada's stake in this matter, so that he could feel free to condemn the whole policy in the name of humanity and world peace. He also left the impression that the President's decision had been practically sprung upon us and that Canada had been taken almost unaware. I hope we shall be told in due course whether the Prime Minister made it clear to the President of the United States that we expect to be consulted well in advance of such decisions being taken. The fact is, I suggest, that the explanation given by the Prime Minister and the government so far to avoid taking up a position on the question of consultation and on the question of our attitude toward this decision by the United States is really not very convincing. We are entitled to know when the country will be informed as to the government's decision.

A source of disappointment to me also is the absence of any reference to the Nigerian problem. The concern of President Nixon is well known. Statements during his election campaign, money support given to relief efforts since his inauguration, and especially the making available to church relief agencies of government planes at nominal prices—a policy we urged on this government six months ago—are all concrete evidence of the President's concern that the suffering should end. In addition, the President's personal representative has just returned from that part of Africa to report on the relief situation in Biafra and, incidentally, to condemn Nigerian attacks on non-military targets.

I express the hope that the Prime Minister will use the good rapport he has established with President Nixon to ensure frequent contact with him in connection with this grave problem. I submit that plans should be made jointly to see that the airstrip to be built by Canairelief is in fact made operational. Planning should start now at government level to ensure that the most effective use possible is made of this strip, and joint Canada-United States initiative taken to slow down or halt the flow of arms.

It is our suggestion that the Prime Minister now make up for lost time in this area and use his newly forged links with President Nixon in a constructive way. But above all, I hope that the government of this country will work closely and press forward keenly on the two great sources of economic concern in this country, the restoration of some stability with regard to the international wheat agreement, and the achievement of a satisfactory continental oil policy between our two nations.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I am sure we all welcome the Prime Minister (Mr. Trudeau) back to Canada and to this house. We are all glad that he has established a friendly rapport with the President of the United States, though he probably regrets that the White House had no banisters for the Prime Minister to demonstrate his skills in the art of making a backward descent, without hurting himself. However, we are pleased he made such a favourable impression both on the President and on the people of the United States.

Former President John F. Kennedy once said of Canada and the United States that geography has made us neighbours and history has made us friends, and we all want it to continue that way. However, if friends are to treat each other on the basis of equality rather than of master and servant, then it is absolutely essential that there be the utmost frankness in exchanges of views, and also independence on the part of both parties.

The Prime Minister's statement today disappoints me, since he has said very little about some of the matters that were under discussion in Washington. On Monday last, when I asked the Acting Prime Minister about the evidence given by Mr. Melvin Laird, Defence Secretary of the United States, before the foreign relations committee of the United States Senate, the Acting Prime Minister said that a statement would be made shortly. I do not know whether the Prime Minister's statement today is supposed to be that statement, but if that is so it gives us no information whatsoever.

The fact is that the government has been less than frank with this parliament and the Canadian people with respect to the construction of an A.B.M. system in the United States. In the evidence that Mr. Laird gave before the foreign relations committee, he said in answer to a question about whether or not the Sentinel and Safeguard systems had been cleared with Canada:

> —we did not think it was necessary to clear the change in locations, once we had the agreement on the use of the Sentinel system.

Further on in his evidence, in reply to Senator Fulbright, he said:

> —I can assure you that we have a working agreement with our friends in Canada and I do know that this was cleared.

It seems to me that the Prime Minister has a responsibility to tell this parliament whether or not there was an agreement between Canada and the United States with respect to the Sentinel system.

I see the Prime Minister shaking his head. Am I to assume, then, that Defence Secretary Laird does not know what he is talking about?

• (2:20 p.m.)

Some hon. Members: Oh, oh.

An hon. Member: Now he is nodding his head.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Now the Prime Minister is nodding his head. I want to know if he told the President of the United States that the President's Defence Secretary was making statements before a Congressional committee that are not in accordance with facts.

Mr. Speaker: Order, please. I hesitate to interrupt the hon. member but I am sure he knows the limitations imposed on his comments at this time under the provisions of Standing Order 15. That Standing Order allows a spokesman for each of the parties in opposition to the government to comment briefly, subject to certain limitations, one of those being that the comments should not be designed to provoke debate at this stage.

Some hon. Members: Hear, hear.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I was not desirous of provoking debate but merely of eliciting information which this house is entitled to have. When the Prime Minister comes back from Washington, telling us nothing about the commitments if any which Canada has made with respect to the A.B.M. system and, in order to obtain information, we have to read the transcript of evidence taken before a Congressional committee, we face a very sad state of affairs. It is not good enough for us to depend on the Prime Minister's moving his head from left to right or up and down in our efforts to obtain information.

Prime Minister's Meeting in Washington

On the question of the A.B.M. system the Prime Minister said these words during a press conference in Washington:

I have more information, but the moral and political questions are no closer to being settled than a week ago.

The question of whether the construction of an A.B.M. system will trigger a nuclear arms race is of vital importance to the people of this country and of the world, and I hope the Prime Minister will be prepared to make a statement fairly soon on this matter. The matter is being discussed in the United States Congress and I think the people who are making decisions in this momentous field have a right to know where the Canadian government stands.

To turn to other matters, we have not had much information yet about any oil policy that was discussed. I notice that Senator William Proxmire of the United States referred to a secret agreement. As far as we are concerned, it was secret until a short time ago. We need to know more about this oil policy. Our present oil policy means that we are completely at the mercy of the whims of the United States and the United States oil industry. I hope we will have a full scale debate on oil policy and that the government will give us some idea of where it stands.

I am sorry the Prime Minister was not able to give us some assurance with respect to the International Grains Arrangement and tell us whether the President of the United States is prepared to give an undertaking that the United States will observe the price ranges set out in the International Grains Arrangement, and whether the United States will join with Canada in exercising all the influence it can upon other wheat exporting countries to try to make sure that they, too, will abide by the terms and conditions of that arrangement.

I conclude, Mr. Speaker, by expressing the hope that as a result of these discussions in Washington, Canada and the United States will be able to resolve some of these problems, and to work out harmonious relations.

Some hon. Members: Hear, hear.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I trust there have been no under-the-table deals and that we will not get concessions on our oil policy and wheat marketing policy by agreeing to the establishment of an antiballistic missile system on this continent.

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

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, we are happy to note that the Prime Minister (Mr. Trudeau) is back from his trip to the United States where he met the President of the neighbouring republic. We are also happy to note that he has acquired some experience from that trip.

From the little he told the house today, I believe that this exchange of views with the President of the United States has been as fruitful as we could hope.

We venture to think that the Prime Minister has expressed the desire of all Canadians to become more and more economically self-sufficient, while keeping friendly political and trading relations with that nation, the political, economic and military power of which cannot be ignored.

We also believe that the meetings of these last two days must have dealt with commercial and defence matters, defence not only of the United States, but of the whole North American continent.

The Prime Minister told us that relations had been strongly initiated and that in a few days, after he has reported to his Cabinet—the logical way to proceed I would say—we will get the chance to discuss the matter openly in this house.

I hope the Prime Minister was determined and confident enough to make that Southern giant understand that we would reluctantly accept that such a highly civilized country use its power to impose its views.

I say this, Mr. Speaker, because I believe that any action of the American government aimed at defending its territory should be taken with Canada in mind, because it has its own importance for the United States.

• (2:30 p.m.)

We have often heard, but more so in recent years, some flamboyant statements at the United Nations, NATO or at interparliamentary meetings, that a country should not interfere with another country's business.

The United States are just one of those who made such statements, but unfortunately they often interfere in other countries' business without consulting them in advance.

Mr. Speaker, I do not intend to make a long speech on the results of the discussions which took place these last few days, as the Prime Minister's statement was rather brief. When the time comes, we should have the

opportunity to express our views on the subjects discussed with President Nixon.

However, we hope that this arms race undertaken by the two great powers and other countries will come to an end, so that Europe and America will no longer be under threat of destruction.

I believe that the means of defence contemplated will protect us from such a disaster, and if Canada could be useful in contributing to defensive measures in order to avoid a conflict, we should do so. Above all, it would be very useful, I think, if Canada could be one of the first countries to start negotiations with a view to preserving peace and allowing us to keep on developing means for a decent living, instead of means of destruction.

[*English*]

FINANCE

TABLING OF REPORT OF AUDITOR GENERAL FOR FISCAL YEAR ENDED MARCH 31, 1968

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I have tabled today copies in English and in French of the report of the Auditor General to the House of Commons for the fiscal year ended March 31, 1968. As the house is aware, the Financial Administration Act requires that the report of the Auditor General be laid before the house on or before the 31st day of December or, if parliament is then not in session, within 15 days after the commencement of the next ensuing session. The Auditor General has asked me to express his apologies to members of the house for the delay.

LABOUR RELATIONS

TABLING OF WOODS REPORT

Hon. Bryce S. Mackasey (Minister of Labour): Mr. Speaker, with the permission of the house I would like to table copies in English and in French of the report of the task force on labour relations. I would also point out to the house that I prefer not to make a detailed statement at the same time in view of the fact that the opposition parties, and in particular their labour critics, have not had an ample opportunity to study this report in depth. However, I would like to take advantage of Standing Order 41(2) to table along with the report a very short and non-controversial statement which does not deal with the recommendations of the Woods report.

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker—

Mr. Speaker: Order. My understanding is that the Minister of Labour was not making a statement. I am not sure whether he presented a non-statement to the house, but if my interpretation is correct, under our Standing Orders there should be no statement by any member of other parties.

Mr. MacEwan: Mr. Speaker, I will not trespass on your ruling, except to point out that I did receive a copy of the report and that I was ready to reply to the minister today. However I shall reserve that for a later date.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

CENTENNIAL ENTERTAINERS

Question No. 639—**Mr. McCleave:**

1. Which Canadian groups of classical and popular entertainers were sponsored by the Centennial Commission on national tours during 1967?

2. Which of these paid their way, in gate receipts, and which were subsidized by the Treasury, and in what amounts?

Hon. Gérard Pelletier (Secretary of State): 1. Les Feux Follets, Anne of Green Gables, Holiday Theatre, Don Messer Jubilee, National Ballet, National Youth Orchestra, Neptune Theatre, Théâtre du Nouveau Monde, Théâtre du Rideau Vert, Stratford Festival, Best of Barkerville, Ian and Sylvia, Monique Leyrac, Gordon Lightfoot, 100 Year of Musical Comedy, Les Chansonniers, Jean-Pierre Ferland, Ginette Reno and Donald Lautrec, The Travellers.

2. The Centennial Commission, through its Festival Canada Agency, paid travelling expenses, productions costs and a portion of the ticket subsidy for groups and individuals on national tour during 1967. The ticket subsidy was shared with the provinces and was intended to provide this entertainment to as many people as possible at popular prices. As the ticket prices were much lower than the normal commercial rates for each performance, no off-setting revenue was expected or received.

DEPARTMENT OF INDUSTRY PERSONNEL

Question No. 1,124—**Mr. Broadbent:**

1. For the years 1963, 1964, 1965, 1966, 1967 and 1968, what are the total annual number of employees of the Department of Industry and what is the total expenditure for salaries and wages?

Questions

2. For the same years, what are the total annual number of employees of the Aerospace Branch of the Department of Defence Production and the Department of Industry and what are their expenditures for salaries and wages?

3. For the same years, what are the total annual number of employees of the International Programs Branch of the Department of Defence Production and the Department of Industry and what are their expenditures for salaries and wages?

Mr. Yves Forest (Parliamentary Secretary to the President of the Privy Council): I am informed by the departments of Industry and Defence Production as follows: 1. Personnel: 1963-64, 125; 1964-65, 363; 1965-66, 424; 1966-67, 489; 1967-68, 846. Salaries and Wages (Excluding Minister's Salary): 1963-64, $443,367; 1964-65, $2,578,454; 1965-66, $3,813,066; 1966-67, $4,829,006; 1967-68, $6,988,424; Total, $18,652,317.

2. Personnel—Aerospace Branch, Department of Industry: 1963-64, 0; 1964-65, 31; 1965-66, 33; 1966-67, 36; 1967-68, 42. Salaries and Wages—Aerospace Branch, Department of Industry: 1963-64, Nil; 1964-65, $228,491; 1965-66, $290,602; 1966-67, $384,035; 1967-68, $455,126; Total, $1,358,254.

Personnel—Aerospace Branch, Department of Defence Production

Calendar Year	No. of Employees at December 31	Expenditures for Salaries and Wages $
1963	168	1,191,144
1964	175	1,257,001
1965	172	1,302,292
1966	181	1,387,875
1967	176	1,427,536
1968	178	1,508,670
	Total	8,074,518

3. Personnel—International Programs Branch: 1964-65, 140; 1965-66, 156; 1966-67, 166; 1967-68, 169. Salaries and Wages—International Programs Branch: 1964-65, $1,275,-720; 1965-66, $1,311,483; 1966-67, $1,413,338; 1967-68, $1,442,268; Total $5,442,809.

Note: The International Defence Programs Branch was formed on April 1, 1964 and transferred from the Department of Defence Production to the Department of Trade and Commerce in July, 1968 by Order-in-Council, PC 1968-1307.

[Mr. Broadbent.]

EXCHEQUER COURT RULES OF PROCEDURE

Question No. 1,235—**Mr. Fortin:**

1. Is the revision of the rules of procedure of the Exchequer Court completed and, if not, when will it be completed?

2. When will the official versions, French and English, of the said rules of procedure be available?

3. When will the reform of the Exchequer Court be completed and when will the resulting bill be laid before Parliament?

Hon. John N. Turner (Minister of Justice): 1. Yes, but the rules are under continuous revision.

2. The material is now being prepared for printing but it is not possible at this time to forecast a definite date when the rules of procedure will be available.

3. It is hoped that modifications in the federal courts' structure may be brought before Parliament either late in the present session or during the next session.

DEPARTMENT OF JUSTICE EMPLOYEES

Question No. 1,362—**Mr. Thomson:**

1. How many full time employees does the Department of Justice have?

2. How many of these employees are in the (a) Yukon (b) Northwest Territories?

3. In reference to employees stationed in the Yukon and Northwest Territories, how many of them are administrative officers and/or how many in a judicial capacity?

Hon. John N. Turner (Minister of Justice): 1. 423.

2. (a) 12 full time; (b) 10 full time.

3. In each of the Yukon and Northwest Territories there are one magistrate and two administrative officers. Acting in a judicial capacity but not considered to be employees of the Department of Justice are the Judge of the Territorial Court of the Yukon Territory and the Judge of the Territorial Court of the Northwest Territories.

POST OFFICE BOX RENTALS

Question No. 1,414—**Mr. Downey:**

1. How many postal boxes were available for rental by the public from the Post Office Department during the year 1968?

2. What was the total annual rental received from this source by the Department?

3. What were the rental rates prevailing during 1968?

4. What is the annual estimated cost, total and per box, of maintaining these postal boxes?

5. How many rural mail delivery routes does the Post Office Department maintain in Canada?

6. How many residential letterboxes is it estimated that the Post Office Department services in Canada?

7. How much is the annual cost to the Department of maintaining rural mail delivery?

8. How much is the annual cost to the Department of maintaining residential mail delivery?

9. What is the unit cost of delivery to (a) a postal box (b) a rural route mail drop (c) a residential letterbox?

10. What percentage of revenue from stamps is accounted for by mailings within Canada?

11. What is the estimated number of postal boxes that will be rented by the Department during 1969?

12. What are the new rental rates applicable in 1969?

13. What revenue is estimated for 1969 from rental of postal boxes?

Hon. Eric W. Kierans (Postmaster General): In so far as the Post Office Department is concerned: 1. 1,016,369 as of March 31, 1968.

2. $2,497,670 for the fiscal year 1967-68.

3. Lock box rental charges are based on the size of the lock box rented and the type of Post Office where the lock box is rented. Rental charges for 1968 were:

Style	Non-letter Carrier Delivery Office	Letter Carrier Delivery Office
A	$ 2.00	$ 6.00
B	3.00	8.00
C	5.00	10.00
D	8.00	15.00
E	10.00	18.00
Bag Service	10.00	18.00

4. $4,624,000 in total for the fiscal year 1967-68, $4.45 per box.

5. 5,561 for the fiscal year 1967-68.

6. Approximately 3,827,000 for the fiscal 1967-68.

7. Approximately $13,561,000—for the fiscal year 1967-68.

8. Approximately $101,502,000 for the fiscal year 1967-68.

9. (a) $3.50; (b) $14.45; (c) $16.82. These estimated costs do not include costs of mail sorting.

10. 98.9 per cent.

11. 931,000.

12. Lock box rental charges are based on the size of the lock box rented and the type of Post Office where the lock box is rented. Rental charges are—

Style	Non-letter Carrier Delivery Office	Letter Carrier Delivery Office
A	$ 4.00	$ 8.00
B	6.00	10.00
C	10.00	15.00
D	15.00	25.00
E	20.00	35.00
Bag-Service	20.00	35.00

13. $4,232,000.

ATLANTIC SUGAR REFINERIES—SEINER SUBSIDIES

Question No. 1,473—**Mr. Crouse:**

1. What is the total amount of the federal subsidy paid on the five tuna seiners owned by Atlantic Sugar Refineries and what was the total cost of these ships?

2. What was the total amount of the federal development grant paid to Atlantic Sugar Refineries for establishing its plant at St. Andrews, New Brunswick?

3. Which department of the federal government is responsible for overseeing this company's operations in order to determine that the taxpayer is receiving value for his money?

4. How many Canadians are employed on these ships and what is the total crew complement of the five ships?

5. On what date did these ships start fishing operations and what is the total landed value of all tuna caught by these five ships to date?

6. Has the Atlantic Sugar Refineries complied with all the regulations to date covering federal grants and subsidies?

Mr. Yves Forest (Parliamentary Secretary to the President of the Privy Council): I am informed by the Departments of Industry, Fisheries and Forestry and Rural Development as follows: 1. Total amount of subsidy paid $6,130,647. Total cost of these ships is not known. However, "approved cost" for subsidy purposes was $12,261,294.

2. Nil.

3. Specific areas or projects in the company's operation which involved the interests of a government department would be monitored by the department concerned.

4. The Department of Fisheries has no information on the crews of the five tuna seiners owned by Atlantic Sugar Refineries.

Questions

5. Ship	First Fishing Trip
Atlantic Gairdner	November 19, 1967
Atlantic—J.A.G.	January 25, 1968
Ocean Maid (ex-Atlantic—John Park)	January 29, 1968
Atlantic Gennis	February 2, 1968
Atlantic Paton	February 26, 1968

The total landed value of all tuna caught by these ships to date is $1,081,000.

6. Yes—insofar as shipbuilding subsidies are concerned; not yet determined insofar as grants are concerned.

TORONTO INTERNATIONAL AIRPORT SITE

Question No. 1,507—**Mr. Robinson:**

1. Has a committee been appointed to study the locations available for an additional site for the Toronto International Airport?

2. If so, have any meetings been held?

3. When will the Department of Transport be able to advise as to the selection of the additional site and the anticipated construction schedule?

Hon. Paul Hellyer (Minister of Transport): 1. No committee has been appointed but an informal working group has been established with the Province of Ontario to identify areas of primary interest and responsibilities.

2. Yes.

3. The substantial research and analysis of all aspects of the subject may require a year or more before a site can be selected and construction scheduled.

WINNIPEG—UNEMPLOYMENT INSURANCE COMMISSION POSITIONS

Question No. 1,540—**Mr. Paproski:**

1. Are there a number of positions in the Unemployment Insurance Commission offices in Winnipeg which have been or are about to be declared redundant?

2. If so, how many positions are involved?

3. How many of those affected have had (a) over five years' service in the Public Service (b) over ten years' service (c) over fifteen years' service?

4. What is the general reason attributed for the redundancy of the positions and will alternative employment be found for each of those affected?

Hon. Bryce S. Mackasey (Minister of Labour): The Unemployment Insurance Commission advises: 1. Yes.

2. As of February 24, 1969, there was a total of 23 employees of the Unemployment Insurance Commission in Winnipeg who were being declared redundant. Four were at the Prairie Regional Office and 19 at the Winnipeg Area Office.

3. In the Regional Office, one of the four redundant employees has over five years of service. In the Area Office, (a) two; (b) eight; (c) six.

4. Six employees in the Area Office are redundant because the functions of Limited Authority Officer and Special Interviewer have been discontinued. The remaining 17 employees are redundant because of new methods and procedures which have been instituted and the decentralization to area offices of the Adjudication, Audit, and Investigations functions.

The Commission is making every effort to locate suitable alternate employment. A Job Search Program has been established at each Region and contacts are made regularly with prospective employers, the Public Service Commission, the provincial Civil Service, the Canada Manpower Centres, and other government departments concerning possible employment opportunities.

A number of positions within the Unemployment Insurance Commission are available or will be available to redundant staff if the employees are willing either to transfer to some other location (with the usual relocation expenses being provided) or, in some cases, accept a lower grade position. While it cannot be guaranteed that all 23 redundant employees will be placed in other employment, the placement results of the past several months would give reason for some optimism in this regard.

QUEBEC—ST. LAWRENCE RIVER CABLES

Question No. 1,544—**Mr. Dumont:**

1. Since 1965, have telephone cables between the North and South shores of the St. Lawrence River in the Port of Quebec been damaged by ships and, if so, on what occasions?

2. For the years 1965, 1966, 1967 and 1968, does the National Harbours Board have any record of the claims by the Bell Telephone Company against the owners of these vessels and, if so, what amounts has the Company claimed?

3. Does the National Harbours Board consider that such communication cables between Lévis and Quebec City are a serious obstacle to vessels mooring or manoeuvring in the harbour, particularly in the bad ice conditions and strong westerly winds prevailing in spring and fall and, if so, what steps will the Board take to have these cables removed?

Hon. Paul Hellyer (Minister of Transport): 1. Yes, on two occasions. On December 3,

1966 by the vessel *Texaco Oregon*, and on December 11, 1968 by the vessel *Salamina*.

2. No.

3. No. Chart 1321 of the Canadian Hydrographic Service indicates the location of submarine cables and the prohibited anchorage area over the cables. The official anchorage area is located southwest of the cables, and when correctly attended there should be no accidents between ships and submarine cables.

TORMENTINE-BORDEN CAR FERRY

Question No. 1,565—**Mr. MacLean:**

1. What was the price paid for the car-ferry purchased in Sweden to be put into service on the Cape Tormentine, New Brunswick-Borden, Prince Edward Island run?

2. Has a name been selected for this vessel and, if so, what is it?

3. What is the age, length, beam, vehicle capacity, passenger capacity, speed and power of this vessel?

4. What type of power plant does this vessel have?

5. How many propellers does she have, and does she have any special equipment for manoeuvering and docking?

6. What is the estimated cost of modifications and/or installation of special equipment, if any, to be installed in this vessel before it goes into service?

7. Is this vessel capable of carrying railway cars?

Hon. Paul Hellyer (Minister of Transport):

1. Purchase price $3.972 million.

2. No.

3. Built in 1965, 261 ft. 9 ins. long, beam of 53 ft. 2 ins., vehicle capacity of 100 autos, and a passenger capacity of 500. Service speed of the vessel is 17½ knots and the engines develop 6,000 brake horse power.

4. Deutz diesel engines with direct drive.

5. Two controllable pitch propellors and a bow thruster for manoeuvering.

6. $300,000.

7. No.

MRS. SICOTTE—DEPARTMENT OF TRANSPORT AIRCRAFT

Question No. 1,581—**Mr. Lewis:**

1. Was Mrs. Giles Sicotte a passenger on any trip on a Department of Transport plane between September, 1963 to the present?

2. Was a Department of Transport aircraft provided for Mrs. Sicotte alone at any time during this period?

Hon. Paul Hellyer (Minister of Transport):

1. Flight records of the Department of Transport, which are only retained for a three-year period, indicate that Mrs. Gilles Sicotte was a passenger, on a "space available" basis, on the following three flights since April 1, 1965: November 14, 1967, Ottawa to New York; May 25, 1968, Ottawa to Montreal; September 21, 1968, Ottawa to St. Hubert.

2. No.

POST-SECONDARY EDUCATION ADJUSTMENT PAYMENTS

Question No. 1,583—**Mr. Anderson:**

For the years 1967-68, 1968-69 and 1969-70, what are the estimated costs associated with basic fiscal transfer and adjustment payments made to each province for post-secondary education, under terms of Part II of Federal-Provincial Fiscal Arrangements Act, 1967?

Hon. Gérard Pelletier (Secretary of State):

The accompanying table shows present estimated costs associated with payments to the provinces under terms of Part II of the Federal-Provincial Fiscal Arrangements Act, 1967.

The Act, which became effective with the 1967-68 fiscal year, provides for federal transfers of fiscal resources to assist the provinces in meeting the rising costs of post-secondary education. It made provision for a province to receive for 1967-68 the higher of $15 per capita of population or 50% of eligible operating expenditures for post-secondary education incurred in the province. The Act also provided that, for the years 1968-69 to 1971-72 inclusive, each province originally on the per capita basis (Newfoundland, Prince Edward Island, and New Brunswick) would have its basic (i.e. 1967-68) transfer increased from year to year at the national rate of increase in eligible post-secondary education operating costs until the 50 per cent basis became more advantageous. Any province on the 50 per cent basis continues on that arrangement and cannot switch to the per capita (escalated) formula.

The total of the transfer of fiscal resources is made up of three elements: (i) tax abatements of 4 per cent of the individual income tax and 1 per cent of corporation taxable income; (ii) that portion of the general revenue equalization payments which is related to the special tax abatements for the post-secondary education program; and (iii) a cash adjustment payment.

Thus, the total of (i), (ii) and (iii) is equal to a province's entitlement under either the 50 per cent or the per capita (escalated) formula. Note that (ii) is applicable only in those cases where provinces receive payments under the general revenue equalization formula authorized in Part I of the Federal-Provincial Fiscal Arrangements Act.

As final figures for eligible provincial post-secondary education operating expenditures will not be available before April, 1969 for 1967-68, before 1970 for 1968-69, and before 1971 for 1969-70, the figures in Column 1 are based on provincial estimates as noted in footnote 1.

Periodic estimates of the value of income tax abatement and equalization payments are made by the Department of Finance and the totals shown for them in the table (Column 6) are the latest available. Further changes in these estimates would, of course, alter the value of the adjustment payments which are made by the Department of the Secretary of State (Column 7). Final payment adjustments for all years will be made when final eligible post-secondary education operating expenditure and fiscal transfer figures are available.

29180—452½

Estimates of Post-Secondary Education Basic Fiscal Transfer and Adjustment Payments Under the Terms of the Federal-Provincial Fiscal Arrangements Act, 1967 Fiscal Years 1967–68, 1968–69, and 1969–70

Fiscal Year and Province	Estimated Total Eligible Post-Secondary Operating Expenditures[1]	Estimated Population April 1, 1967	50% of Eligible Post-Secondary Operating Expenditures	Per Capita Alternative[2]	Estimated Value of Transfer of Fiscal Resources (Greater of 3 or 4)	Estimated Value of Fiscal Transfer Portion (tax abatements and equalization)[3]	Estimated Value of Cash Adjustment Payments Portion (5 minus 6)
	1	2	3	4	5	6	7
	($000)	(000)	($000)	($000)	($000)	($000)	($000)
1967–68							
Nfld.	6,742[4]	500	3,371	7,500	7,500	5,521	1,979
P.E.I.	2,123	109	1,062	1,635	1,635	427	1,208
N.S	31,397	756	15,699	11,340	15,669	8,465	7,204
N.B.	16,234[4]	619	8,117	9,285	9,285	6,941	2,344
Qué.	212,800	5,854	106,400	87,810	106,400	62,639	43,761
Ont.	304,414	7,115	152,207	106,725	152,207	97,343	54,864
Man.	35,826	961	17,913	14,415	17,913	10,704	7,209
Sask.	36,540	955	18,270	14,325	18,270	7,370	10,900
Alta.	75,604	1,483	37,802	22,245	37,802	15,846	21,956
B.C.	67,803	1,938	33,902	29,070	33,902	24,881	9,021
TOTAL	789,483	20,290	394,743	304,350	400,583	240,137	160,446[5]
1968–69							
Nfld.	8,090[4]	—	4,045	9,398	9,398	6,185	3,213
P.E I.	3,077	—	1,539	2,049	2,049	995	1,054
N.S.	39,346	—	19,673	—	19,673	9,363	10,310
N.B.	19,480[4]	—	9,740	11,634	11,634	7,678	3,956
Qué.	266,100	—	133,050	—	133,050	73,129	59,921
Ont.	391,400	—	195,700	—	195,700	113,789	81,911
Man.	43,905	—	21,953	—	21,953	11,953	10,000
Sask.	42,708	—	21,354	—	21,354	8,426	12,928
Alta.	91,967	—	45,984	—	45*984	17,476	28,508
B.C.	82,931	—	41,466	—	41,466	28,943	12,523
TOTAL	989,004	—	494,504	—	502,261	277,937	224,324

Estimates of Post-Secondary Education Basic Fiscal Transfer and Adjustment Payments Under the Terms of the Federal-Provincial Fiscal Arrangements Act, 1967 Fiscal Years 1967–68, 1968–69, and 1969–70 (concluded)

Fiscal Year and Province	Estimated Total Eligible Post-Secondary Operating Expenditures[1]	Estimated Population April 1, 1967	50% of Eligible Post-Secondary Operating Expenditures	Per Capita Alternative[2]	Estimated Value of Transfer of Fiscal Resources (Greater of 3 or 4)	Estimated Value of Fiscal Transfer Portion (tax abatements and equalization)[3]	Estimated Value of Cash Adjustment Payments Portion (5 minus 6)
	1	2	3	4	5	6	7
	($000)	(000)	($000)	($000)	($000)	($000)	($000)
1969–70							
Nfld.	10,113	—	5,057	11,748	11,748	6,759	4,989
P.E.I.	3,846	—	1,923	2,561	2,561	1,456	1,105
N.S.	49,183	—	24,592	—	24,592	10,082	14,510
N.B.	24,350	—	12,175	15,543	14,543	8,286	6,257
Qué.	332,625	—	166,313	—	166,313	78,677	87,636
Ont.	489,250	—	244,625	—	244,625	122,569	122,056
Man.	54,881	—	27,441	—	27,441	12,888	14,553
Sask.	53,385	—	26,693	—	26,693	9,074	17,619
Alta.	114,959	—	57,480	—	57,480	18,855	38,625
B.C.	103,664	—	51,832	—	51,832	31,174	20,658
TOTAL	1,236,256	—	618,131	—	627,828	299,820	328,008

[1]Eligible post-secondary education operating expenditure estimates for 1967–68 and 1968–69 were submitted by most provinces in 1968. For the initial 1969–70 estimates shown, which will be revised shortly when more precise provincial estimates are available, the 1968–69 figures were increased by 25 per cent.

[2]For 1967–68: $15 multiplied by 1967 population. For 1968–69, the total transfer for each of the three original $15 per capita provinces was increased in proportion to the national increase in estimated expenditures from 1967–68 to 1968–69 (i.e. by just over 25 per cent). For the 1969–70 estimates, a 25 per cent increase over 1968–69 was used.

[3]The figures for 1967–68 include final Department of Finance estimates of the tax abatements (made in March 1969) and preliminary estimates of equalization payments (made in July 1967). The 1968–69 values shown are March 1969 preliminary estimates made by the Department of Finance. The 1969–70 preliminary estimates were made by the Department of Finance in December 1968.

[4]These are not provincially-submitted estimates.

[5]$108 million was paid during the 1967–68 fiscal year. An estimate of the balance required for 1967–68 is included in the 1968–69 *Estimates* and is expected to be paid before the end of the 1968–69 fiscal year.

*GRANTS TO UNIVERSITIES IN EACH PROVINCE

Question No. 1,596—**Mr. Woolliams:**

1. How much money was paid by the federal government to each of the provinces of Canada by way of grants to the universities situated in those said provinces?

2. In 1968, did any province refuse to accept federal grants to universities?

Mr. Robert Stanbury (Parliamentary Secretary to the Secretary of State): 1. By the terms of part II of the Federal-Provincial Fiscal Arrangements Act, 1967, the federal government began in the 1967-68 fiscal year to transfer fiscal resources to the provincial governments to assist them in meeting the rising costs of post-secondary education generally. These transfers replace the University Grants program which was terminated after 1966-67.

The latest estimated values of these transfers (consisting of tax abatements of 4 per cent of individual income tax and 1 per cent of corporation taxable income, and cash adjustment payments) for the 1968-69 year are: Newfoundland, $9,398,000; Prince Edward Island, $2,049,000; Nova Scotia, $19,673,000; New Brunswick, $11,634,000; Quebec, $133,050,000; Ontario, $195,700,000; Manitoba, $21,953,000; Saskatchewan, $21,354,000; Alberta, $45,984,000; British Columbia, $41,466,000; Total, $502,261,000.

The extent to which these transferred resources are used by the provinces for the support of universities is, of course, a matter for provincial authorities to decide.

2. In 1968-69 all provinces received these transferred resources.

PRINTING OF "SENTINEL"

Question No. 1,599—**Mr. Rynard:**

1. How many copies of the March 1969 issue of "Sentinel", the Canadian Forces magazine, Volume 5, Number 3, were printed?

2. How many paid subscriptions were in effect as at publication date (a) inside North America at $2.50 per year (b) outside of North America at $3.50 per year?

3. How many copies of that issue were distributed free of charge?

4. What were the costs of production of that issue as to (a) editorial content (b) paper (c) printing (d) other?

5. What category of mail is "Sentinel" classed as, by the Post Office and what was the total charge levied by the Post Office for mailing that issue (a) in North America and (b) outside of North America?

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): 1. 56,500.

2. (a) 1,708; (b) 80.

3. 52,268. The Canadian Forces' magazine "Sentinel", and its French counterpart "La Sentinelle", is an internal information medium and the majority of these free copies are distributed to bases, stations and to units wherever Canadian Forces personnel are stationed. Approximately 22,000 copies go by mail, the balance being shipped through Canadian Forces distribution channels.

4. (a) The editorial staff of these magazines consists of: two majors, one captain, one lieutenant, one master warrant officer, two civilian clerks, and one typist.

Some copy is contributed by others than the staff. As the content for a particular issue is prepared well in advance of its publication at the same time as other material is being prepared, it is not possible to provide a cost for the editorial content of the March issue with any degree of accuracy.

(b), (c) and (d) Commercial printers do not detail costs regarding paper, composition, printing, etc., on their invoices. Total cost of production was $12,220.63. This figure includes the cost of paper, printing and other manufacturing costs.

5. The "Sentinel" is in the "second class mail" category. Postage for all publications mailed from Public Printing and Stationery Department is paid for quarterly, in bulk. The cost of postage for an individual issue is therefore not available.

FURNITURE RETAILER BANKRUPTCIES

Question No. 1,630—**Mr. Latulippe:**

Does the Department of Consumer and Corporate Affairs intend to take steps to determine the reason for the number of bankruptcies among furniture retailers during the first nine months of 1968?

[*Translation*]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): The Bankruptcy Act requires that a bankrupt be examined under oath by the official receiver in order to determine, among other things, the causes of the bankruptcy. Also, the trustee is required to file a confidential report with the Superintendent of Bankruptcy informing him of the causes of the bankruptcy and if, in his opinion, the deficiency between the assets and

liabilities of the bankrupt has been satisfactorily accounted for.

If, as a result of the examination of the debtor by the official receiver, or the trustee's report, or again complaints received from creditors, the Superintendent of Bankruptcy has reasonable grounds to believe that an offence was committed to the Bankruptcy Act or to any other Act of the Parliament of Canada, an investigation is immediately initiated to determine if there is sufficient evidence to warrant the laying of charges before the courts.

[*English*]

TRAINING OF NATO STUDENTS

Question No. 1,633—**Mr. Skoberg:**

1. How many NATO students have been trained during the following years: 1964-65, 1965-66, 1966-67, 1967-68 at all Canadian Forces Bases in Canada?

2. Has this training program been cancelled and, if so, for what reason?

3. Are countries that formerly used Canadian Bases for training NATO students now sending their students to the United States for training?

4. What did Canada charge for the training of each NATO student for each of the following years: 1964-65, 1965-66, 1966-67, 1967-68?

Hon. Léo Cadieux (Minister of National Defence): "NATO students" are assumed to mean members of the armed forces of NATO member countries except Britain and the United States who have separate reciprocal agreements with Canada concerning training. 1. By Calendar Year: 1964, 98; 1965, 81; 1966, 66; 1967, 61; 1968, 55. In addition, a few vacancies for foreign officers to attend the Staff College at Kingston were offered to NATO countries. Pay and allowances, clothing, transportation to Canada and other personal expenses of a similar character were borne by the home country, with Canada providing transportation within Canada, normal hospital and medical services, as well as the cost of training. The numbers involved were: 1963-65, 2; 1965-66, 2; 1966-67, 3; 1967-68, 4.

2. The agreements concluded in July, 1964, providing for training of aircrew personnel from Denmark and Norway, expired on 30 June, 1968, and have not been renewed. The reasons are a matter for the Danish and Norwegian governments.

3. Not known.

4.

Type of Training	Calendar Years					Charges/ Student
	1964	1965	1966	1967	1968	
Pilot Wings Standard	62	53	63	52	46	$44,000.
Navigator	10	5	3	7	5	23,500.
Sabre Transition	26	19				10,000.
Pilot Helicopter (a)		4				9,500.
Pilot Helicopter (b)				2	2	42,500.
Pilot Albatross					2	24,000.

Note: Pilot Helicopter (a) is transition training from pilot wings standard.

Pilot Helicopter (b) includes basic pilot training and helicopter transition.

ELLIOT LAKE—C.M.H.C. SALES

Question No. 1,638—**Mr. Foster:**

1. How many single family houses have been sold by Central Mortgage and Housing Corporation in Elliot Lake in each of the past six years?

2. What was the average initial cost of the houses sold in each year?

3. What was the average cost of rehabilitating the houses sold in each year and what was the average selling price of the houses sold each year?

Hon. Paul Hellyer (Minister of Transport): 1. 1963, 2; 1964, 2; 1965, 63; 1966, 162; 1967, 342; 1968, 273.

2. These houses were financed under the National Housing Act and were subsequently acquired by reason of mortgage default. Corporation records do not show initial cost of the houses. However, before a loan was granted a valuation was placed by the Corporation on each house specifically for setting of the loan amount. This value is considered to be a fair approximation of initial cost. The average original lending value for the houses sold in each year follows: 1963, $11,750; 1964, $11,925; 1965, $12,681; 1966, $12,405; 1967, $12,559; 1968, $12,377.

3. As Corporation records for Elliot Lake are maintained on a project basis, it is not possible to accurately relate rehabilitation costs to a specific house. It is, however, estimated that rehabilitation costs for the houses sold in each year averages as follows: 1963, $200; 1964, $200; 1965, $200; 1966, $500; 1967, $2,100; 1968, $3,900.

The progressive increase in costs is due to the fact that the units in the best condition

were sold first and those which had been vacant for prolonged periods, or those which required extensive repairs were held from sale until the later years.

The average selling price of the houses sold each year is as follows: 1963, $10,125; 1964, $10,125; 1965, $11,000; 1966, $10,590; 1967, $10,840; 1968, $11,470.

KENT, ONTARIO, POST OFFICE CLOSURES

Question No. 1,641—**Mr. McCutcheon:**

Under the government's reorganization plan involving the closing of small post offices, what post offices are scheduled for closing in the County of Kent, Ontario, and on what dates?

Hon. Eric W. Kierans (Postmaster General): In so far as the Post Office is concerned: The following Post Offices are being studied for possible closing: Bear Line, Becher, Croton, Dover Centre, Duart, Kent Bridge, Mitchells Bay, Muirkirk, Mull, Northwood, Walpole Island, Wilkesport.

No decision has been made on any case as yet.

Records are not maintained in such a way as to be readily available by County, therefore, the above list is for the constituency of Lambton-Kent rather than the County of Kent.

MRS. SICOTTE—INDEBTEDNESS FROM CUSTOMS DUTIES

Question No. 1,643—**Mr. Lewis:**

1. (a) Does Mrs. Gilles Sicotte or Stoa Galleries Limited, of which she was President, owe the Department of National Revenue a sum of money for customs duties or other charges (b) if so, how much does the said Mrs. Sicotte or Stoa Galleries Limited owe and since what date (c) what steps have been taken to collect such debt?

2. (a) Is the government aware of any outstanding criminal charge or charges against Mrs. Gilles Sicotte laid in Switzerland (b) if so, what was the nature of such charge or charges (c) were extradition proceedings commenced arising out of such charge or charges and, if so, what was the disposition of such proceedings?

3. (a) Is there any information available about charges laid against Mrs. Gilles Sicotte in Middleburg, N.Y. (b) if so, what were the nature and disposition of such charges?

4. (a) Was Mrs. Gilles Sicotte threatened with deportation from Mexico in 1954 and did she leave that country under such threat (b) was Mrs. Gilles Sicotte deported from Mexico in 1956 and, if so, what were the grounds for such deportation (c) did Mrs. Gilles Sicotte return to Mexico between 1954 and 1956 and were any representations made to the Mexican authorities by any officer in the External Affairs Department or any other department of the Canadian government with respect to her return to that country (d) if such representations were made, who was the officer who made them (e) was any inquiry or investigation made into Mrs. Gilles Sicotte's activities in, and the reasons for her deportation from Mexico and, particularly, were inquiries made of Mr. Arcadio Ojeda, Chief of Mexican Immigration at the time?

5. What steps has Air Canada taken to enforce the court order obtained on or about May 13, 1968 against Mrs. Gilles Sicotte with respect to a debt of some three thousand dollars owed by her to Air Canada?

Mr. Yves Forest (Parliamentary Secretary to the President of the Privy Council): 1. (a) and (b) An aggregate net amount of $711.86 is owed to the Department of National Revenue by Stoa Galleries Limited for customs duties and excise taxes; (c) Normal collection procedure was followed up to the time Stoa Galleries Limited was declared bankrupt on November 28, 1966. Proof of claim was filed on January 12, 1967 with the Trustee in Bankruptcy. No funds were available to reimburse the Department of National Revenue.

2. (a) and (b) Available information indicates that Mrs. Sicotte was charged in Switzerland in late 1966 or early 1967 with alleged fraud involving the issuance of a cheque for the purchase of certain antique articles; (c) The Swiss authorities have not instituted extradition proceedings, but information received in late 1968 indicates that Mrs. Sicotte is still the subject of an inquiry for fraud committed in Geneva and that the case remains open.

3. The government has no information about charges laid against Mrs. Gilles Sicotte in Middleburg, N.Y. Available information indicates that Mrs. Gilles Sicotte was indicted by the June 1967 Term of Grand Jury of Herkimer County, N.Y. "for the issuance of a fraudulent cheque and grand larceny in the second degree". Full restitution was made on behalf of the defendant to an antique shop in Middleville, New York. The indictment was dismissed.

4. (a) Mrs. Sicotte was asked by the Mexican authorities on or about May 17, 1954 to leave Mexico because she was in the country illegally. She agreed to leave. No deportation order was issued against her. According to oral information subsequently received by the Canadian Embassy in Mexico, the basis for declaring her to be in the country illegally was that she had violated immigration rules by working as a nurse; (b) Mrs. Sicotte was asked by the Mexican authorities in 1956 to leave Mexico. She agreed

to leave. The Canadian Embassy in Mexico was orally informed at that time that a deportation order had been issued against her on July 27, 1956. She was escorted to the border by Mexican officials, and entered the United States on July 30, 1956. The Canadian Embassy was subsequently informed orally that, although the official grounds for deportation were violations of Mexican immigration and labour laws, action to deport Mrs. Sicotte was also based in part on allegations that she had been trafficking illegally in drugs and smuggling medical instruments; (c) and (d) No official representations were made to the Mexican authorities by any officer of the Department of External Affairs or any other Department of the Canadian Government with respect to Mrs. Sicotte's return to that country. In March of 1954 Mr. Gilles Sicotte, then an officer of the Department of External Affairs, wrote a personal letter to a Mexican immigration official seeking clarification of Mrs. Sicotte's status as a visitor to Mexico. Some months later Mr. Sicotte telephoned the same official, again in a personal capacity, requesting permission for Mrs. Sicotte to re-enter Mexico for continued medical treatment in that country; (e) Yes. Investigations were made into Mrs. Gilles Sicotte's activities in and the reasons for her leaving Mexico. In particular, inquiries were made of Mr. Arcadio Ojeda.

5. The following information has been provided by Air Canada. "On June 19, 1968 Air Canada's legal agents in Ottawa were instructed to initiate judgment debtor proceedings against Mrs. Sicotte. They were not successful in serving her. Again on October 7, 1968 our legal agents in Ottawa were given further instructions to serve Mrs. Sicotte with the process. Although they have not yet been successful, the amount of the judgment has been reduced, through partial payment, to a total of $2,411.88 plus $78.00 costs and interest. Legal proceedings are continuing."

CASHING OF INTEREST COUPONS BY CHARTERED BANKS

Question No. 1,650—**Mr. Caouette:**

During the last two years, what were the amounts paid to each of the chartered banks to cover the cost of cashing interest coupons from savings bonds and redeeming Canada Savings Bonds?

Hon. E. J. Benson (Minister of Finance): Amounts paid to the chartered banks to cover the cost of cashing interest coupons from Canada Savings Bonds are not recorded separately from these amounts in respect of all Government of Canada issues. Payments to chartered banks to cover the cost of redeeming Canada Savings Bonds are made quarterly in arrears and the amounts paid in 1967 and 1968 for this purpose were $1,050,-253.88 and $1,111,921.70 respectively. It has not been the practice nor is it considered appropriate to detail these amounts for each chartered bank.

INCOME TAX FROM TELEPHONE COMPANIES

Question No. 1,654—**Mr. Fortin:**

1. For each of the last three years, what was the total amount of income tax received by the federal government from telephone companies in Canada?

2. Has any province requested the transfer of income tax paid by telephone companies?

Mr. Yves Forest (Parliamentary Secretary to the President of the Privy Council): I am informed by the departments of National Revenue and Finance as follows: 1. For the last three years for which the information is available, the total amount of federal income and old age security tax declared by telephone companies in Canada, as tabulated from tax returns, was: 1963 taxation year, $62.1 million; 1964 taxation year, $72.2 million; 1965 taxation year, $82.0 million.

2. No.

BRANDON-SOURIS POST OFFICE CLOSURES

Question No. 1,664—**Mr. Dinsdale:**

1. How many rural post offices have been closed in Brandon-Souris the constituency since April 1, 1968 and what is the location of each of these post offices?

2. How many will be closed in the next fiscal year and what is the location of each of these post offices?

3. What rural post offices are under study with a view to closure in the future?

4. How many rural post offices have been closed in the four Western Provinces since April 1, 1968 and what is the total saving?

Hon. Eric W. Kierans (Postmaster General): 1. (a) Two; (b) Whitewater, Regent.

2. (a) At this time only one Post Office at Mountainside is scheduled for closing during the fiscal year 1969-70. However, there may be others closed during that period if studies reveal that such action should be taken.

3. Belleview, Coulter, Dand, Deleau, Ebor, Elva, Fairfax, Findlay, Harding, Hargrave, Kemnay, Kirkella, Lauder, Lenore, Rounthwaite, Scarth, Sinclair, Woodnorth.

4. (a) Manitoba, 38; Saskatchewan, 35; Alberta, 53; British Columbia, 17. (b) $94,-696.

ROYAL COMMISSION ON PILOTAGE

Question No. 1,665—**Mr. Mather:**

1. What was the cost of the Royal Commission on Pilotage?

2. When was it appointed?

3. When did it report?

4. What action has been taken on it's report and recommendations?

Mr. Yves Forest (Parliamentary Secretary to the President of the Privy Council): I am informed by the Offices of the Prime Minister and Privy Council and the Department of Transport as follows: 1. $1,049,870.

2. November 1, 1962.

3. Volume I—July 17, 1968; Volume II—December 20, 1968.

4. A task force has been established within the Department of Transport and it has proceeded to study those Parts of the Report that have been received. It has also held discussions with representatives of shipping and pilots' associations on the implications of the recommendations made by the Royal Commission. It is now engaged in drafting a recommended plan of action for the reorganization of the pilotage service throughout Canada.

HUNGARIAN IMMIGRANTS

Question No. 1,674—**Mr. Robinson:**

1. How many Hungarians were allowed to immigrate to Canada after the Hungarian revolt?

2. In what provinces and what large cities did they locate?

3. Was there any screening of the immigrants to determine previous criminal records?

4. How many have been convicted of criminal offenses in Canada and what were the offenses for which convictions were registered and what was the penalty meted out in each case?

5. How many have been convicted of criminal offenses in (a) Toronto (b) Montreal?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): 1. From November 1956, when the first of these people began to arrive in Canada, up to May 31, 1959 when the Department ceased to identify them separately in its statistical records, 37,096 Hungarian refugees were granted landed immigrant status in this country.

2. The distribution by province of intended destination of these refugees was as follows: Newfoundland, four; Prince Edward Island, 11; Nova Scotia 1,315; New Brunswick, 988; Quebec, 9,634; Ontario, 12,245; Manitoba, 3,467; Saskatchewan, 989; Alberta, 3,635; British Columbia, 4,806 and the Yukon and Northwest Territories, two. No figures are available showing the city of intended destination of these refugees.

3. Initially, Hungarian refugees were subject to full immigration screening. However as the flood of refugees increased, the situation became acute and the Canadian Government decided to waive its normal immigrant security checks for these refugees except where the examining officer abroad had reason to suspect that such checks should be carried out. This was done in order to speed up their arrival in Canada since the task of caring for them was far beyond the capacity of the countries in which they sought haven.

4 and 5. The Department of Manpower and Immigration has no statistics concerning the incidence of crime amongst these people in Canada.

LINGUISTIC CAPABILITIES OF NATIONAL DEFENCE PERSONNEL

Question No. 1,715—**Mr. Fortin:**

1. In the Department of National Defence, in each category and class, how many employees (a) have French as their mother tongue (b) have English as their mother tongue (c) other (d) are bilingual?

2. How many employees earning from $12,000 to $17,000 in each category and class (a) have French as their mother tongue (b) have English as their mother tongue (c) other (d) are bilingual?

3. How many employees earning $17,000 and over in each category and class (a) have French as their mother tongue (b) have English as their mother tongue (c) other (d) are bilingual?

4. During 1968, how many employees were appointed, reclassified or promoted in each category and class and, of this number, how many (a) had French as their mother tongue (b) had English as their mother tongue (c) other (d) were bilingual?

5. How many employees in each category and class took courses (a) in French (b) in English in 1968?

[*Translation*]

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): Information is not now available to provide an accurate answer to this question, and the necessary expert staff is not available to undertake the large amount of work which would be required to gather the necessary information.

Attention is directed to *Hansard,* page 2402, dated 25 September, 1967.

Questions

[*English*]

FACE VALUE OF COMMEMORATIVE POSTAGE STAMPS

Question No. 1,717—**Mr. Nesbitt:**

1. What is the face value of the commemorative postage stamp being issued on March 14, 1969?

2. How many stamps of this issue are being printed?

3. What is the price of each stamp to the general public?

4. Are orders being taken by the Post Office Department for these stamps and, if so, what price is being charged?

5. Is there any limit to the number of stamps of this issue that can be purchased by one customer?

Hon. Eric W. Kierans (Postmaster General): In so far as the Post Office Department is concerned: 1. The Aurele de Foy Suzor-Côté commemorative stamp has a face value of 50 cents.

2. Six million stamps of this issue were ordered, but with the usual overrun total printing should approximate 6,300,000 stamps.

3. 50 cents.

4. The Philatelic Service located at Headquarters accepts mail orders from stamp collectors and all sales both from post offices or the Philatelic Service are at the face value of the stamp.

5. There is no limit to the number of stamps of this issue that may be purchased in post offices by one customer. However, the Philatelic Service makes every effort to ensure that all collectors have an equitable opportunity to obtain each new issue stamp through its facilities and the Philatelic Service would not knowingly allow one collector to obtain excessive quantities of any new issue stamp before the stamp has been available to all collectors for a reasonable period of time.

PRINCE EDWARD ISLAND HOSPITALS

Question No. 1,720—**Mr. Macquarrie:**

1. What amount has the Government of Canada contributed in each of the past ten years towards hospital renovation and expansion in the Province of Prince Edward Island?

2. Has the government advised the Prince Edward Island Government of its intention to discontinue such grants and, if so, what is the date of such discontinuance?

3. Has the Government of Prince Edward Island made representations on this matter and, if so, on what date?

Mr. Yves Forest (Parliamentary Secretary to the President of the Privy Council): I am informed by the departments of National Health and Welfare and Finance as follows: 1. (a) Under the terms of the Hospital Construction Grants:

1958-59	$141,713
1959-60	132,196
1960-61	169,579
1961-62	17,583
1962-63	133,667
1963-64	80,498
1964-65	38,554
1965-66	201,835
1966-67	197,730
1967-68	14,504
*1968-69	107,181

* as of February 15, 1969.

(b) Fiscal years 1959-60 to 1967-68 inclusive —Nil; Fiscal year 1968-69: A portion amounting to $112,468 of a loan under the Municipal Development and Loan Act was forgiven under the terms of the Act.

2. (a) Yes, March 31, 1970; (b) March 31, 1966 was the last date on which new loans could be approved under the Municipal Development and Loan Act.

3. No.

RETIREMENTS FROM FORCES BECAUSE OF LINGUISTIC QUALIFICATIONS

Question No. 1,745—**Mr. Robinson:**

1. Have there been any early retirements of members of the Canadian Forces because the individual was not bilingual and, if so, how many (a) officers (b) N.C.Os. (c) men, were involved?

2. How many officers of the rank of Major and above are (a) bilingual (b) speak French only (c) speak English only?

3. Have any officers of the Canadian Forces been promoted over other officers because they were bilingual and, if so, how many and from what rank to what rank were they appointed and does their present employment necessitate the equal use of both the French and English languages and, if not, to what extent is the language required?

4. Have any members of the Canadian Forces been released from the services because of their refusal to learn (a) French (b) English?

5. Is bilingualism now a prerequisite to becoming an officer in the Canadian Forces and, if not, is there a program to provide French and/or English instruction to the applicant on admission to the Canadian Forces?

6. What was the cost of the bilingual program in the Canadian Forces in the year 1968 and what is the estimated cost for 1969?

Mr. D. W. Groos Parliamentary Secretary to the Minister of National Defence): 1. None, insofar as compulsory releases are concerned. It is possible some who have left the

Forces voluntarily may have done so for this reason.

2. (a) 1,497; (b) none; (c) 2,951.

3. The criteria used for selecting officers for promotion are merit and the potential for the higher rank. Promotions are made to meet service requirements, which in some cases require the ability to speak both English and French, as vacancies in the rank and occupational group occur.

4. No.

5. No. Language training in the Canadian Forces is consolidated at the Canadian Forces Language School, CFB St Jean, Quebec which conducts: (a) a 23 week Basic English Language course for French speaking members who require English language proficiency before undertaking trade training in that language, or before occupying a position which requires proficiency in that language; (b) two 15 week Advanced English Language courses a year to a variable number of French-speaking junior officers and non-commissioned officers who require such training. Selection of candidates is based on proficiency tests. Men are selected prior to non-commissioned officer training and officers prior to attendance at Staff School; (c) two 24 week Formal French Language courses a year for English speaking officers and non-commissioned officers. This training is voluntary and candidates are normally selected prior to being appointed to a position requiring a bilingual capability or where future employment indicates the need; and (d) occasional special French and English language terminology and/or refresher courses to meet particular needs and specialized requirements.

6. The cost of the bilingual program in the Canadian Forces cannot be accurately determined at this time as records are not maintained in a manner which would provide this data.

CANADIAN FORCES BILINGUAL PROGRAM

Question No. 1,759—**Mr. Robinson:**

1. Does the federal government have a bilingual program in the Canadian Forces and, if so, how many members have taken the program?

2. To what extent is the Canadian Forces bilingual at the present time?

3. Is it the governments intention that all members of the Canadian Forces become bilingual?

4. What percentage of (a) officers (b) N.C.O.'s (c) men, are bilingual at the present time?

5. Is bilingualism a prerequisite to promotion in (a) officer ranks (b) N.C.O. ranks?

29180—453½

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): 1. and 2. Yes. In the past, on enlistment, recruits signified what languages they had knowledge of, but there was nothing to indicate their fluency in such languages. However, the Canadian Forces have recently embarked on a French and English language proficiency testing program. When this program gains more momentum and is fully under way the Canadian Forces will possess a reliable and scientific tool which will not only determine the number of bilingual personnel but also their levels of proficiency in the second language.

3. The Canadian Forces program is based upon the Government's policy on bilingualism as stated by the Prime Minister in the House of Commons on 6 April, 1966, at page 3915-18.

4. (a) 18.8 per cent; (b) 16.7 per cent; (c) 25.5 per cent.

5. See reply to part 5 of your question number 1745.

ECONOMIC EXPANSION OF PRINCE EDWARD ISLAND

Question No. 1,761—**Mr. Orlikow:**

1. How much money has the federal government agreed to contribute to implementing the Agreement with the Province of Prince Edward Island covering the Agreement for the Economic Expansion and Social Adjustment of Prince Edward Island?

2. Does the Agreement between the Government of Canada and the Government of Prince Edward Island provide for a major restructuring of the provincial system of education, to improve the quality of education, to increase the number of students who complete high school?

3. If so, does the Agreement provide for the development of highly qualified teachers, through up-grading, in-training and higher salaries, the provision of comprehensive schools with a combination of academic and vocational training, the establishment of a college of applied arts and technology?

4. How much money will the federal government contribute under the Agreement towards the construction of technical schools, primary and secondary classrooms, colleges of applied arts and the cost of operating and maintaining the new school program?

Mr. Russell C. Honey (Parliamentary Secretary to the Minister of Forestry and Rural Development): 1. $125,000,000 for the first phase, contingently $100,000,000 for the second phase.

2. Yes.

3. Yes.

4. Nil directly, but the province's capacity to finance these programs is related to the federal contributions to the plan as a whole.

MANITOBA INTERLAKE AREA DEVELOPMENT

Question No. 1,762—**Mr. Orlikow:**

1. How much money has the federal government agreed to contribute to implementing the Agreement with the Province of Manitoba for the Rural Development Plan for the Interlake Area of Manitoba?

2. Does the Agreement between the Government of Canada and the Government of Manitoba for a Rural Development Plan for the Interlake Area of Manitoba provide for the improvement of educational facilities and opportunities in the area?

3. If so, does the Agreement provide for the improvement of school facilities in the area, the construction of a technical vocational high school in the area, and the provision of funds to meet the increase in the cost of operation and maintenance of the school program?

4. How much money will the federal government contribute under the Agreement towards the construction of a technical vocational high school, the construction of new primary and secondary classrooms, and the cost of operating and maintaining the new school program?

Mr. Russell C. Honey (Parliamentary Secretary to the Minister of Forestry and Rural Development): 1. $49,562,000 (See Schedule "C", page 51 of Agreement).

2. Yes.

3. Yes.

4. For construction of technical vocational high school—$2,250,000; for construction of primary and secondary classrooms—nil; for operating and maintenance of new school program—nil (as outlined in Schedule "C" of Agreement).

LOWER ST. LAWRENCE AREA DEVELOPMENT

Question No. 1,763—**Mr. Orlikow:**

1. How much money has the federal government agreed to contribute to implementing the Agreement covering the implementation of a comprehensive rural development plan for the Lower St. Lawrence, Gaspé and Iles-de-la-Madeleine area?

2. Does the Agreement between the Government of Canada and the Government of Quebec provide for extensive public investment in education to raise the basic level of education of the population in the designated area?

3. If so, does the Agreement provide for the extensive consolidation of schools and of school districts, the investment of substantial amounts of money in improving secondary schools, increased teacher training programs, the improvement of an enriched curricula for an improved educational system?

[Mr. Honey.]

4. How much money will the federal government contribute under the Agreement towards the construction of technical schools, new primary and secondary classrooms, and the cost of operating and maintaining the new school program?

Mr. Russell C. Honey (Parliamentary Secretary to the Minister of Forestry and Rural Development): 1. $212,295,000, as set out in Schedule "C", Summary of Cost Sharing Under the Agreement.

2. No.

3. No.

4. None.

NORTHEASTERN NEW BRUNSWICK RURAL DEVELOPMENT

Question No. 1,764—**Mr. Orlikow:**

1. How much money has the federal government agreed to contribute to implementing the Agreement with the Province of New Brunswick covering the Rural Development Plan for Northeast New Brunswick?

2. Does the Agreement between the Government of Canada and the Government of New Brunswick provide for extensive public investment in education to raise the basic level of education of the population in the designated area?

3. If so, does the Agreement provide for the extensive consolidation of schools and of school districts, the investment of substantial amounts of money in improving secondary schools, increased teacher training programs, the improvement of an enriched curricula for an improved educational system?

4. How much money will the federal government contribute under the Agreement towards the construction of technical schools, new primary and secondary classrooms, and the cost of operating and maintaining the new school program?

Mr. Russell C. Honey (Parliamentary Secretary to the Minister of Forestry and Rural Development): 1. $62,136,000 (see Schedule "C", page 39 of Agreement).

2. Yes.

3. Yes.

4. Nil directly, but the province's capacity to finance these programs is related to the federal contributions to the plan as a whole.

QUESTIONS PASSED AS ORDERS FOR RETURNS

ADVISORY COMMITTEES—NUMBER, TERMS OF REFERENCE

Question No. 836—**Mr. Fortin:**

1. What are the existing federal advisory committees and under what Act was each appointed?

2. Who are the members of each of these advisory committees?

3. What are the terms of reference of each of these advisory committees?

4. What was the operating cost of each of these advisory committees for each of the last five years?

Return tabled.

KATES, PEAT, MARWICK AND COMPANY—CONTRACTS AND PERSONNEL EMPLOYED BY GOVERNMENT

Question No. 1,090—**Mr. Skoberg:**

1. Is there any one on the staff in the Office of the Prime Minister who was a member or partner or employed with the management consulting firm of Kates, Peat, Marwick and Company?

2. Is there any member or partner of the above firm presently on the Science Council of Canada?

3. If so, what criteria was used in the selection of this individual?

4. How many contracts has the Government of Canada assigned to the above consulting firm in the fiscal years 1964-65, 1965-66, 1966-67, 1967-68, 1968-69 and in what areas?

5. For the above years, how many were assigned on the basis of competitive tendering?

6. For the above years, how many were assigned without competitive tendering and for what reasons?

Return tabled.

WOMEN—NUMBER EMPLOYED AS MAGISTRATES OR JUDGES

Question No. 1,386—**Mr. Anderson:**

To the knowledge of the federal government (a) how many women are employed as magistrates or judges in Canada (b) what is the total number of magistrates and judges in Canada (c) how many women are employed as magistrates and judges in British Columbia (d) what is the total number of magistrates and judges in British Columbia (e) what is the percentage of women judges in Canada at each level of the judiciary?

Return tabled.

BORDEN-CAPE TORMENTINE FERRY—COST OF OPERATION

Question No. 1,474—**Mr. Macquarrie:**

1. What was the total cost of construction of each of the rail or car ferries placed on service in the Borden-Cape Tormentine run?

2. Since the *SS Prince Edward Island* was placed in service until the present time, what was the annual operating deficit (or surplus) on the Borden-Cape Tormentine ferry service?

3. For the same period, what was the annual expenditure on terminals, land equipment or any other cost incurred in connection with this ferry service apart from (2) above?

4. What is the total cost of the ferry recently purchased in Sweden for the P.E.I.-N.B. service?

5. What is the total projected cost of improvements currently planned at both terminals?

6. What is the projected cost of the ferry service for the next ten years?

Return tabled.

Mr. Rod Thomson (Battleford-Kindersley): On a point of privilege, Mr. Speaker, how long do we have to wait for answers to questions placed on the order paper? My question No. 1,054 has been on the order paper since last December, and I just wonder how long it takes to get an answer.

Mr. Speaker: The hon. member's wonderment is not a question of privilege.

Mr. David Lewis (York South): On a point of order, Mr. Speaker, I am past wondering but I would like to ask the Secretary of State for External Affairs to see whether my question, No. 1,298, tabled on January 31, could not be answered soon, since the information is easily within the availability of members of his department?

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, may I ask what happened with respect to starred question No. 1687 in the name of the right hon. member for Prince Albert? It would appear to be very easy to answer. It was listed to be answered today, and I think it should be answered today.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I notice that this question calls for an estimate, and I presume the estimating is still under way.

Mr. Speaker: Shall the remaining questions stand?

Some hon. Members: Agreed.

Mr. Steven E. Paproski (Edmonton Centre): I rise on a point of privilege, Mr. Speaker. There is a very easy question in my name, No. 1200, which has been on the Order Paper since January 20. To this date I have not received an answer.

MOTIONS FOR PAPERS

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): Mr. Speaker, would you be so kind as to call notices of motions Nos. 83, 85 and 87? I ask that the other notices of motions be allowed to stand?

Motions for Papers

MOUNTAINEER MOTEL COMPANY AGREEMENT

Motion No. 83—**Mr. Woolliams:**

That an Order of the House do issue for a copy of the agreement (lease agreement) between the Mountaineer Motel Company Limited and the Department of Indian Affairs and Northern Development which said agreement was disclosed in and referred to in answer to Question No. 1,271.

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): Mr. Speaker, on behalf of the Minister of Indian Affairs and Northern Development (Mr. Chrétien), I wish to state as follows:

As mentioned in the Minister's answer to Question No. 1271, tabling this lease agreement without written consent of the lessee would constitute a breach of confidence between landlord and tenant. If the hon. member can obtain such written consent from the Mountaineer Motel Company Limited, then he will be pleased to tabled the document. Otherwise it must be treated as a privileged document.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I think this will need to be transferred for debate because the liberal patronage of the Liberals is certainly not going to give me consent in this regard.

Mr. Speaker: Transferred for debate pursuant to Standing Order 48.

DISCONTINUANCE OF CHURCH AND OTHER PUBLICATIONS

Motion No. 85—**Mr. Orlikow:**

That an Order of the House do issue for a copy of all letters received by the Postmaster General from churches, professional organizations, trade unions, co-operatives, credit unions and private organizations, indicating that as a result of the increase in postal rates they intend to discontinue or curtail their publications.

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): Mr. Speaker, this notice of motion asks for a copy of all letters received by the Postmaster General from churches, professional organizations, trade unions, co-operatives, credit unions and private organizations that indicate that as a result of the increase in postal rates they intend to discontinue or curtail their publications. If this motion were adopted, it would be necessary to make a review of hundreds of files because letters were not segregated on the basis of whether or not they suggested that an increase in postal rates would result in either the discontinuance or curtailment of the publication. Such a review would be costly. In view of this fact, perhaps the hon. gentleman would be willing to withdraw his motion.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in view of the fact that newspapers have been filled with reports of various organizations which have announced they have told the Postmaster General they will have to curtail their publication, I am sure, if the minister cannot find the information, I can do it when we discuss the matter at a later date.

Mr. Speaker: Is the hon. member asking that the matter be transferred for debate?

Mr. Orlikow: Yes, Mr. Speaker.

Mr. Speaker: Transferred for debate according to Standing Order 48.

APPLIANCE INDUSTRY REPORT

Motion No. 87—**Mr. Howe:**

That, an Order of the House, do issue for a copy of the document entitled "Report on the Canadian Appliance Industry in Comparison with the American and European Appliance Industries" prepared by the Departments of Industry and Trade and Commerce and dated December 30, 1968.

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): Mr. Speaker, I am informed by the Minister of Industry, Trade and Commerce that discussions have been held with the hon. member for Wellington-Grey in regard to this motion. The document referred to is not a departmental report but a compilation of information which is the property of the appliance industry, and therefore cannot be made public by the Department. The motion is not acceptable to the government and the minister hopes that the hon. member for Wellington-Grey will withdraw his motion.

Mr. W. M. Howe (Wellington-Grey): Mr. Speaker, it is hard to understand how this report, although marked confidential, was made available to the trade. However, in view of the circumstances the parliamentary secretary has stated I will be willing to drop the motion.

Mr. Speaker: Motion dropped.

Mr. Frank Howard (Skeena): Mr. Speaker, Notice of Motion No. 88 in my name asks for the tabling of all telegrams, correspondence and other documents with regard to the proposal that Canada extend diplomatic

recognition to the Vatican. I wonder whether Your Honour would call this so that we might determine whether there is any real good reason not to proceed with the motion.

Mr. Speaker: Is the hon. member inviting the Chair to call the notice of motion?

Mr. Howard (Skeena): I would enjoy that, Mr. Speaker.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I would ask that this notice of motion be allowed to stand. It requires inquiry from all aspects of government and obviously this is not yet completed.

ORAL QUESTION PERIOD

NATIONAL DEFENCE

A.B.M. PROGRAM—REQUEST FOR STATEMENT AS TO AGREEMENT WITH UNITED STATES ON ACCEPTANCE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Prime Minister and give him an opportunity to make some of the answers he is anxious to give to the house. I would ask him whether there was an agreement between the government of Canada and the United States regarding the Sentinel A.B.M. system. If there was not an agreement, was there in fact acceptance by Canada of the United States going ahead with the Sentinel system or was any protest filed with the United States regarding the Sentinel system.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, there was neither agreement nor acceptance by the government of Canada concerning the Sentinel system. As the Secretary of State for External Affairs (Mr. Sharp), the Minister of National Defence (Mr. Cadieux) and I have all stated in this house on different occasions, the United States has a working arrangement under which it does keep us informed in a general way of its progress in continental defence.

The United States government has from time to time given us information regarding the Sentinel system. They at no time sought our agreement to their intention to pursue the implementation of that system nor did we give them any such agreement.

Mr. Stanfield: Mr. Speaker, may I ask the Prime Minister to answer the latter part of my question. Did Canada at any time protest against the United States planning to proceed with the Sentinel system.

Mr. Trudeau: No, Mr. Speaker; we did not at any time protest against the plan of the United States to progress with that system. It was entirely within their own territory and within their own jurisdiction.

Mr. Stanfield: Could the Prime Minister tell the house and the country when we may expect a definite statement of position by his government either in acceptance of or the taking of a position against the decision of the President of the United States to proceed with the Safeguard A.B.M. system.

Mr. Trudeau: Not immediately, Mr. Speaker. It will now be part of the input into our review of defence and foreign policy. We will still proceed with our plan to take a position on NATO and other aspects of foreign policy. When we reach the point where we will want to make an announcement of a policy in respect of NORAD we will then go on to state our position on the A.B.M. system. I do not think it will be a matter of days or even weeks. I do not think the urgency for the government to take a position on it can be stated in terms of days or weeks. I believe the Leader of the Opposition knows that the plan as announced by the United States with regard to two sites will only become operational, if it ever does, around 1973. This gives us, as I say, more than a few days or weeks to take our position.

Mr. Stanfield: Mr. Speaker, it rather sounds as if the Prime Minister is hoping everybody in Canada will forget about this matter. Will the Prime Minister say what attitude he took in Washington concerning Canada's right to be consulted on a matter such as the Safeguard A.B.M. system. Did the Prime Minister insist upon the right of Canada to be consulted, or did he take the stand he took in this house last week that Canada has no right to expect to be consulted unless it is prepared to participate in the A.B.M. system.

Mr. Trudeau: Well, Mr. Speaker, in the matter of continental defence I repeat what I said in the answer to the first question: there is a continued consultation for the imparting of information to Canada on what the United States is proceeding with in general terms. Whether the United States should consult with Canada before deciding to proceed with a particular form of continental defence within its own territory is a question I did not raise with the President.

Inquiries of the Ministry

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the fact that the Prime Minister says there is no agreement between Canada and the United States with regard to the Sentinel A.B.M. system may I ask whether the discussions which took place were merely the passing on of information between the United States government and the Canadian government, and whether this constitutes, to use Mr. Laird's words, an agreement cleared with the Canadian government? Were we merely informed, or was Canada consulted and asked to approve.

Mr. Trudeau: As I stated in reply to the Leader of the Opposition, we were not consulted in the sense that we were asked to agree or disagree. Certain information was conveyed to us and we were told of developments within the United States. We were not asked whether we agreed or disagreed with it, nor did we state whether we agreed or disagreed with it.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker, to the Prime Minister. Did the government of Canada express any opinion with respect to the advisability of proceeding in this regard, or the danger that such a step might escalate the nuclear arms race?

Mr. Trudeau: Yes, Mr. Speaker. In discussion with the President, the Secretary of Defence and other officials we did express our deep concern as to the consequence and effect of the decision announced by the President. This was very much along the same lines that the two ministers and I pursued in this house a few days ago.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. In view of the fact that Canada apparently was only informed and not consulted, does this mean that we accept the position which Mr. Laird took, to the effect that he did not think the United States should give Canada any veto power or, as Senator Fulbright summed it up, the Canadians could either like it or lump it?

Mr. Trudeau: Obviously the United States does not consider that we should have a power of veto over its decision to proceed or not with an A.B.M. system. Before the government takes a further position in this respect we will, of course, be welcoming any input from the house on these questions. When the parliamentary committee makes a report on this subject there will be occasion, I am sure, for parliament to take a position on this question and many others. We will be looking forward to hearing the position of the opposition parties on this precise point.

[Mr. Trudeau.]

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I would like to put a supplementary question to the Prime Minister.

Does he consider that the statement by the Secretary of Defence of the United States, Mr. Laird, is correct, when he says that Canada has been kept informed of all decisions taken in connection with the setting up of an ABM system on the American territory?

Mr. Speaker: It seems to me that the hon. member is asking a question that was put a few moments ago.

[*English*]

Hon. D. S. Harkness (Calgary Centre): A supplementary question, Mr. Speaker. I should like to ask the Prime Minister whether he was informed where the intercepts by the projected A.B.M. sites in the western United States would take place. For the interception of incoming missiles, would the intercepts be over western Canada or over American territory?

Mr. Trudeau: Mr. Speaker, according to the information we received, this system will employ two types of A.B.M.'s, the Spartan and the Sprint. In the case of the Spartan the interceptions will occur outside the atmosphere of the earth. They will not be in our air space. They will be in the outer atmosphere. In the case of the Sprints, because of the location of these two sites in the midwest and because of the short range of the Sprints, it appears that the interceptions would be entirely over United States territory.

Mr. Harkness: A further supplementary question, Mr. Speaker. Will the intercept, as far as the Spartan is concerned, be in the outer atmosphere immediately above Canadian territory?

Mr. Trudeau: I repeat, Mr. Speaker, that it would be outside the earth's atmosphere. It would be in that part of the universe which belongs to no one, except perhaps the angels.

Some hon. Members: Hear, hear.

Mr. Harkness: Mr. Speaker, the Prime Minister has "heavenly" avoided my question.

Would it be horizontally, straight up from Canadian territory—I mean vertically?

Some hon. Members: Oh, oh.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to ask the Prime Minister a supplementary question concerning the North American defence system. I would like to ask him whether Canada is committed or has agreed to allow the American government to use the Canadian bases located in the Canadian Far North, in order to establish an emergency airborne system? Did the government pledge itself to supply those bases or to allow the United States to use such bases on our territory?

Mr. Trudeau: Mr. Speaker, I shall have to look into the matter. I might ask the Minister of National Defence to answer some day.

[*English*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Prime Minister. Following the cabinet meeting announced for this weekend, will the government's position on this subject and on the other matters of defence be announced whilst the house is sitting, or will this be done during the adjournment period when the house will not be able to comment on such a decision?

Mr. Trudeau: That depends, I suppose, on the agreement which will be reached among the leaders of the various parties as to when the house will adjourn. But it is obvious that if the announcement can be made while parliament is still sitting, we will do it. If not, if it has to be announced during the Easter recess, the house will certainly be given an opportunity to discuss this whole matter at a later date.

Mr. Andrew Brewin (Greenwood): A supplementary question, Mr. Speaker. A week ago the Prime Minister told the house that he did not have sufficient information, or the government did not have sufficient information to reach a decision whether to approve or disapprove the position of the United States on the A.B.M. program. Since his visit to Washington, has the Prime Minister acquired sufficient information to make up his mind on this vital issue?

Mr. Trudeau: Mr. Speaker, we do have more facts in our possession. It will make any deliberations we have in cabinet more informed. I have more information; cabinet will have more information. I repeat, however, that we are not yet in a position to announce the policy which will flow from this recent acquisition of information.

Mr. W. B. Nesbitt (Oxford): A supplementary question to the Prime Minister, Mr. Speaker. In view of the apparent difference of viewpoint between the Prime Minister and the United States Secretary of Defence, has the Prime Minister made any inquiries as to whether any of our senior, or junior for that matter, diplomatic or military people in Washington have given any assurances to senior United States officials which will lead to a settlement of this difference of viewpoint?

Mr. Trudeau: No, I have not, Mr. Speaker. But I believe I could repeat what the Acting Prime Minister said on Monday, I think it was, when he said that if there is any difference it is more a matter of semantics than of substance. We have repeated constantly the same position. Secretary of Defence Laird, I believe, stated publicly on television a position which was compatible or in conformity with ours, in which he explained in greater detail what he meant when he had talked about agreement with Canada in his testimony before the senate committee. He was referring, as I understand it, to this ongoing arrangement of continental defence whereby the United States does give Canada information. He was not referring to any agreement under which we might have said: O.K., you can proceed with the Sentinel system.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, my supplementary question for the Prime Minister is this: Why should the cabinet hold any deliberations on the A.B.M. system, if it becomes operational, when the Prime Minister's answer to the hon. member for Calgary Centre a few moments ago indicated that under no conditions would Canadian air space be involved?

Mr. Trudeau: Because we believe that the Canadian government should have a policy with regard not only to its own interests but the interests of humanity at large.

Mr. MacInnis: A further supplementary question to the Prime Minister. Since this question involves Canada's policy, will the Prime Minister give to the Canadian people that to which he says they are entitled, and announce that policy, which is what everybody is asking for?

Mr. Trudeau: Yes, Mr. Speaker, we will announce that policy. I indicated in reply to a question asked by the hon. member's leader that this would be done as part of the various stages of our review. But I added that we would be very happy to know, of course, the Conservative policy on the A.B.M. system.

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, I too have a supplementary question which I would like to put to the Prime Minister. Can he tell us whether any discussion took place between him and President Nixon as to additional sites in northern Canada for the protection of the Canadian people?

Mr. Trudeau: No, Mr. Speaker, there was no discussion on that particular aspect of defence.

Mr. Speaker: Order, please. Perhaps the house would agree that we might have one last supplementary question, and then go to another subject.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, my supplementary question is directed to the Secretary of State for External Affairs and it arises from the minister's answer in this house on March 19, as recorded at page 6814 of *Hansard*. The minister said it would be accurate to state that discussions had been held between Canada and the United States relative to the A.B.M. question. My question is: In the light of the Prime Minister's statement today that, although Canada was never consulted in this regard it was informed about the decision, would the Secretary of State for External Affairs look carefully at his answer to see whether he may not wish to correct the mistaken impression that he left with the house on March 19.

Hon. Mitchell Sharp (Secretary of State for External Affairs): I will do so, Mr. Speaker, but I see no reason to go back and look at anything I said before.

Some hon. Members: Oh, oh.

Mr. Sharp: The Prime Minister, the Minister of National Defence and I have all said the same thing. There have been consultations between the United States and Canada in which the United States did not ask us to agree, nor did we take any position. This is very simple and there is nothing more to be said.

Mr. Speaker: May I remind hon. members that there appeared to be agreement in the house that there should be one more supplementary question. However, if the house agrees perhaps the hon. member for Selkirk might be allowed a further supplementary question.

Mr. Schreyer: Thank you, Mr. Speaker. I pose this supplementary question only because the minister has responded facetiously to the question I put to him. My question is: Will the Secretary of State for External Affairs look very carefully at his answer at page 6814 of *Hansard*, which gives the wrong impression.

Mr. Speaker: Order, please. I have the impression that the further supplementary question is very much like the original supplementary.

REGIONAL DEVELOPMENT

REQUEST FOR STATEMENT AS TO LESS FAVOURED PROVINCES

Hon. Hugh John Flemming (Carleton-Charlotte): My question is for the right hon. Prime Minister and it is on another subject. It arises from the statement made by Premier Robichaud of New Brunswick that the Prime Minister would be making a statement in the house Thursday or Friday concerning financial assistance to the poorer provinces. Will the Prime Minister say whether any such statement is planned, and whether the government is working on any new policy announcement with regard to the poorer provinces?

Right Hon. P. E. Trudeau (Prime Minister): I am not aware of this announcement by Premier Robichaud, but the answer is yes, we are working on regional development along new lines. I believe the Minister of Forestry and Rural Development has spoken extensively of the government's plans in this area. Of course, they will be important for the less developed and less favoured regions of Canada, including New Brunswick.

Mr. Flemming: I have a supplementary question for the Minister of Finance. Is the Minister of Finance aware of any negotiations between the premier of New Brunswick and his department concerning special federal assistance?

Hon. E. J. Benson (Minister of Finance): I did not see the statement of Mr. Robichaud, and I would not like to comment on it until I have seen it.

Mr. Muir (Cape Breton-The Sydneys): King Louis is in trouble.

Mr. Thomas M. Bell (Saint John-Lancaster): I have a supplementary question, Mr. Speaker. Have any approaches been made in recent days to the Minister of Finance or to the government on behalf of the province of New Brunswick concerning the dire possibility of that province's immediate financial bankruptcy?

Mr. Benson: I think that my hon. friend is seriously exaggerating the position of the province of New Brunswick. Continuous consultation is going on at both the official and ministerial levels between the government and the various provinces in Canada.

Mr. Bell: I have a supplementary question, Mr. Speaker. Has the minister himself been approached within the last few days about the particular problem resulting from the recent budget in New Brunswick?

Mr. Benson: If my hon. friend asks whether I spoke to the premier of New Brunswick or to the provincial minister, then my answer is that I have not.

Mr. Stanfield: Finally, the minister gave a straight answer.

OIL

DISCUSSIONS WITH PRESIDENT NIXON AS TO EXPORTS

Hon. George Hees (Prince Edward-Hastings): I have a question for the Prime Minister. In his discussions with the President of the United States during the last two days, did he ask for and receive an assurance from President Nixon that Canadian exports of oil to the United States would be allowed to increase progressively year by year, as was guaranteed in the first national oil policy established in 1961?

Right Hon. P. E. Trudeau (Prime Minister): What the President and I agreed upon was that the across-border movement of energy between Canada and the United States should be discussed at full length at the meeting which will be held in a couple of weeks time, on April 2. All aspects of our oil policy and of the oil policy of the United States will be considered at that joint meeting.

Mr. Hees: I have a supplementary question, Mr. Speaker. Will those conducting the discussions at the time of the meeting press for the same kind of progressively increasing allocation of oil exports to the United States as was agreed to in the original oil policy, an assurance which is so necessary to Canada?

Mr. Trudeau: We will impress upon the United States the importance to them of buying as much good, secure Canadian oil as is possible.

IMPORTS FROM VENEZUELA—CANADIAN MARKET IN NORTHWESTERN UNITED STATES

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I, through you, ask the Prime Minister a question. He said everything went very well, yet today there is no firm agreement between Canada and the United States on a settled continental oil policy, on the grounds that we continue to permit Venezuelan oil to come in as far as the western Ottawa valley. At the same time, Canada does not have a guaranteed market in the northwestern United States, in Chicago or Toledo.

An hon. Member: What is the question?

Right Hon. P. E. Trudeau (Prime Minister): This question has been dealt with at various times by the Minister of Industry, Trade and Commerce. At this time, I merely want to say that the President and I reviewed the existing arrangements under which the policy of the United States and Canada with regard to oil and to other forms of energy are devised for the mutual benefit of both countries. We did realize that there was a necessity to review these policies and to improve them if necessary.

Mr. Woolliams: I have a further supplementary question, Mr. Speaker. Speaking metaphorically in this regard, and having listened to his statement, may I ask the Prime Minister what kind of elephant he was sleeping with in the United States.

An hon. Member: It was not an oily one.

LABOUR RELATIONS

AMENDMENTS TO INDUSTRIAL DISPUTES STATUTE

Mr. David Lewis (York South): I should like to address a question to the Minister of Labour. Is his department preparing any legislation to amend the Industrial Relations and Disputes Investigation Act and, if so, when might such amendments be expected to be presented to the house.

Inquiries of the Ministry

Hon. Bryce S. Mackasey (Minister of Labour): Mr. Speaker, we have been preparing amendments for some time but we have been holding them in abeyance until we have an opportunity to digest properly the Woods report. The tabling of the Woods report does not mean that these amendments will be brought forward in the very near future. In fact I see no possibility of these amendments being brought before the house in this session.

Mr. Lewis: I have a supplementary question. I hope that digesting the Woods report will not do the minister any harm. I should like to ask him whether his answer means that the amendments which are being prepared by his department are not related to the Woods report, do not stem from it or do derive from the suggestions made in the report.

Mr. Mackasey: The report was authorized by the prime minister of the time to provide the department with some guidance and with the observations of the task force which, as hon. members know, is basically and essentially comprised of experienced intellectuals in the field of labour. The legislation proposed may or may not reflect the view of the task force. Certainly, in view of their exhaustive report, their findings should at least be taken into consideration.

[*Translation*]

DEFENCE PRODUCTION

DAVIE SHIPBUILDING LTD., LAUZON—BUILDING OF DESTROYERS

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I wish to direct a question to the Minister of Defence Production. Can he assure the house that the building, by 1970 as announced, of two destroyers by the Davie Shipbuilding Ltd., in Lauzon, will not be postponed?

Mr. Speaker: I suggest to the hon. member to put his question on the order paper.

Mr. Dumont: The question is urgent, Mr. Speaker. Ten o'clock.

[*English*]

ROYAL CANADIAN MOUNTED POLICE

NEWFOUNDLAND—AUTHORITY FOR SEARCHES

Mr. Walter C. Carter (St. John's West): Mr. Speaker, after listening to all the questions on guided missiles today, I have a question for the Solicitor General on certain misguided missiles. Can the minister say on what authority and on whose orders members of the Royal Canadian Mounted Police are conducting detailed house-to-house searches in the communities of Freshwater, Dunneville and Placentia, three Newfoundland communities adjacent to the U.S. naval base in Argentia.

Mr. Speaker: I wonder whether the hon. member might not agree that his question should be discussed at the time of adjournment.

Mr. Carter: I rise on a point of order, Mr. Speaker. This is a matter of great urgency and importance to the people of these three Newfoundland communities. They are being subjected to R.C.M.P. searches and their homes are being entered by members of the R.C.M.P.

Mr. Speaker: I suggest that there is no point in debating this matter. If there is urgency, which is not apparent to the Chair, perhaps the minister will reply to the question.

Hon. G. J. McIlraith (Solicitor General): Not having received notice of this question, I have no information about the searches to which the hon. member is referring, but I will be glad to inquire into the matter. I would remind the hon. member that in addition to their duties as a federal police force, the R.C.M.P. also perform on a contract basis the police functions which are the responsibility of the provincial government. However I will be glad to look into the matter and see whether I can bring forward an answer. I would appreciate it if the hon. member would give me any information he has on the subject.

Mr. Carter: Can the minister inform the house whether it is the policy of the government to utilize general search warrants and, in this case United States servicemen, in connection with the enforcement of customs excise regulations, and whether the government approves placing Canadian citizens in the position of having to prove their innocence when a police search turns up goods of United States manufacture for which no bill of sale is available?

BANKRUPTCY

FINANCIAL POSITION OF COMMONWEALTH TRUST AND ASSOCIATED COMPANIES

Mrs. Grace MacInnis (Vancouver-Kingsway): A few days ago, Mr. Speaker, I directed two questions to the Minister of Consumer

and Corporate Affairs. At that time the parliamentary secretary took them as notice. Is the hon. gentleman prepared to answer them now? The first question was as follows:

In view of the importance of protecting Canada's good name abroad, what action is the minister considering to investigate the financial situation in British Columbia of Commonwealth Trust Company and its associated companies?

And this was the second question:

Has this matter been discussed with the premier of British Columbia?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Three of the companies in what is known as the Commonwealth group have become bankrupt, thereby falling within the jurisdiction of the Bankruptcy Act and of my department. They are: Commonwealth Savings Plan Limited; Commonwealth Acceptance Corporation Limited; and Commonwealth Investors Syndicate Limited.

A meeting of creditors of Commonwealth Savings Plan Limited was held in Vancouver on Monday last to affirm the appointment of a trustee, to appoint inspectors and to give the trustee instructions in connection with the liquidation of the assets. Meetings of creditors of the other two companies will be arranged as soon as possible.

Some two weeks ago, I met personally with the Official Receiver in Vancouver, who is an officer of my department. These bankruptcies are receiving the close attention of the Superintendent of Bankruptcy, and should he have any reason to suspect that any offences have been committed either under the Bankruptcy Act or under any statute, the situation will be thoroughly investigated. I am sorry to take so long, Mr. Speaker, but this is an important matter. There have also been discussions between officials of the provincial government of British Columbia and officials of the Department of Finance with regard to the Canadian deposit insurance scheme, any questions about which should be directed to the Minister of Finance.

As to the second question, whether I have discussed this matter with the premier of British Columbia, the answer is, no.

GRAIN

UNITED ACTION OF CANADA AND U.S. AT I.G.A. MEETING

Mr. J. H. Horner (Crowfoot): I should like to direct a question to the Prime Minister arising out of his meetings with the President of the United States and having to do with wheat sales and our trading picture generally. Would the right hon. gentleman say that, as a result of the talks, the United States and Canada are prepared to present a united front at the April meeting to discuss the maintaining of the International Grains Arrangement?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker. We did reach agreement to seek respect for the International Grains Arrangement in every way possible, and we agreed to ask whatever friends we have to take this position, too. We want to work as far as at all possible within the framework of that agreement. The Prime Minister of Australia will be in the United States next week and he will also be coming to Canada; both the president and myself intend to bend his ear on this subject.

Mr. Horner: We can assume, then, that the positions taken by this government and by the United States government at this April meeting will be identical?

Mr. Speaker: Order.

[*Later:*]

Mr. S. J. Korchinski (Mackenzie): Since the United States is a signatory to the International Grains Arrangement may I ask the Prime Minister whether the President of the United States indicated to him that the United States would immediately adhere to the conditions set out in that agreement and decline to sell at prices below those set out therein.

Right Hon. P. E. Trudeau (Prime Minister): Obviously, one cannot answer yes or no to a question of that kind. Perhaps, I should say that it would be unreasonable to ask the United States to adhere to the terms of an agreement, when we ourselves have said we would not do so. The hon. member is aware of the situation in which other countries began to break the letter and the spirit of that agreement, thus obliging nations such as ourselves to follow suit in order to preserve our competitive position. It is this whole problem that the President discussed with me, and which we indicated we would try to solve within the framework of the International Grains Arrangement.

INDIAN AFFAIRS

MEDICARE—EFFECT OF PARTICIPATION BY MANITOBA

Mr. Robert Simpson (Churchill): I have a question for the Minister of National Health

and Welfare. In view of the fact that Manitoba will be entering the medicare plan on April 1—

Some hon. Members: Hear, hear.

Mr. Simpson: They will be sorry.

—can the minister assure the house that medical services available to the Indian people of that province will in no way be adversely affected?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker. I was surprised to hear the comment made by the hon. member in view of the fact that his party voted for the legislation. I would hope that the medical services available to the Indians would be improved.

Mr. Simpson: Bearing in mind the fact that a number of doctors in that province have indicated they will be practising outside the medicare plan, will the Indian people have the services of these doctors available to them, in addition to the services of those who are within the plan?

Mr. Munro: I should like to check into that situation a little further. However I can assure the hon. member that as a result of the tremendous improvements which have taken place in Manitoba, improvements of which I am sure he is well aware, including the participation of the medical school of the University of Manitoba and so on, it seems that the future holds great promise for vastly improved medical care for the Indian people of that province.

Mr. Simpson: Mr. Speaker—

Mr. Speaker: Order, please. We are running short of time and I wonder whether we might return to the hon. member for Mackenzie who has a supplementary question on the subject about which questions were asked a few moments ago.

EXTERNAL AFFAIRS

POINT ROBERTS—DISCUSSIONS AS TO INTERNATIONAL ASPECTS

Mr. Barry Mather (Surrey): I wonder if I might address a question to the Minister of Public Works in his capacity as senior minister from beautiful British Columbia. Can he tell us the situation at this time with respect to the talks between the United States and Canada on the subject of the internationalization of the United States area of Point Roberts?

[Mr. Simpson.]

Mr. Speaker: The hon. member is asking for a statement which should be made on motions.

[*Later:*]

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is supplementary to the one asked by the hon. member for Surrey and is directed to the Secretary of State for External Affairs. Was the question of Point Roberts, and a special treaty between Canada and the United States to resolve some of the problems connected with that subject, a matter for discussion with United States officials yesterday, especially in view of the meeting of the House of Representatives in Washington and members of the legislature of British Columbia in the west?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker, there was no specific mention of this in any of the discussions I had with the secretary of state. The Prime Minister, of course, had a general talk about certain areas, such as fishing zones and territorial waters, but did not specifically raise that point.

[*Translation*]

CANADIAN CONSTITUTION

DISCUSSION WITH PRESIDENT NIXON CONCERNING QUEBEC INDEPENDENCE

Mr. René Matte (Champlain): Mr. Speaker, I should like to put a question to the Prime Minister.

Could he tell us if, during his visit with President Nixon, any reference was made to the constitutional problems of Canada, and, in particular, to the possibility of independence in Quebec?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, we had other fish to fry.

[*English*]

UNEMPLOYMENT INSURANCE

POSSIBILITY OF AMENDMENTS TO STATUTE

Mr. Russell MacEwan (Central Nova): I have a question for the Minister of Labour, Mr. Speaker. Could he advise us whether he intends to bring in amendments to the Unemployment Insurance Act during the present session, which are not tied to the Woods report?

Hon. Bryce S. Mackasey (Minister of Labour): The estimates of the Unemployment Insurance Commission will be before the Committee on Labour, Manpower and Immigration tomorrow. I am sure the hon. gentleman could satisfy his curiosity there.

Mr. MacEwen: Can't wait.

Mr. Mackasey: However, it is not my intention to bring in amendments to the Unemployment Insurance Act this session. When I do bring them in, I intend to make them all-embracing and, perhaps, to change the policy of the commission entirely.

TRADE

WHEAT—STORAGE FACILITIES IN IMPORTING COUNTRIES

Mr. R. E. McKinley (Huron): This is another question to the Prime Minister on the subject of wheat. Having regard to the problem which Canadian producers seem to be experiencing in selling wheat for export at a reasonable price, and realizing the value of providing service to customers, would the government consider setting up Canadian storage facilities inside the borders of importing countries so that wheat could be readily available whenever such countries decided to buy some.

EXTERNAL AID

BIAFRA—DESTRUCTION OF CANAIRELIEF MERCY AIRCRAFT

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Secretary of State for External Affairs. I wonder whether the minister will answer the questions asked yesterday by my leader, and also my supplementary question, taken as notice by the Acting Prime Minister and concerning attempts by Nigeria to destroy Canairelief aircraft?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, when I returned this morning my attention was drawn to these questions. The position is as follows:

The Nigerian government has often made it clear that such flights would be entirely at the risk of those who made them, since arms deliveries continue from Sao Tome into the same airstrip at the same time as the relief aircraft. It is to avoid these risks and to permit an effective relief operation that the government hopes Colonel Ojukwu will agree to daylight relief flights into Uli and Obilago. In the circumstances, it would not be possible to justify a protest on their behalf to the Nigerian government.

Concerning the second part of the question, we have received expressions of concern from the Nigerian government as to the reported intention of Canairelief to establish an airstrip in rebel territory which, according to its promoters, is to be used exclusively for relief flights. With three known airstrips at least—Uli, Obilago and one near Uli/Ihiala—in the rebel area or a few miles away, none of which are now being used by day for relief deliveries, the Nigerian government obviously finds it difficult to see the justification for yet another airstrip to be built at great cost while present alternatives are ignored by the rebels.

DISCUSSION OF INITIATIVES AT TALKS BETWEEN PRIME MINISTER AND PRESIDENT NIXON

Mr. David MacDonald (Egmont): Mr. Speaker, may I address a supplementary question to the Prime Minister regarding some of the comments made by the Leader of the Opposition. I wonder whether the Prime Minister can inform the house if conversations were held with President Nixon about initiatives that the United States government has taken regarding relief shipments, and possible initiatives that the Canadian government might take with regard to relief.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the question of Nigeria was discussed by the President and myself but in rather general terms. As regards the United States position, I do not think I am in a position to make any comment.

Mr. MacDonald (Egmont): A further supplementary question. With regard to the second part of my question, could the Prime Minister indicate whether the President expressed to the Prime Minister any particular steps that our government might take with regard to assisting in the relief effort?

Mr. Trudeau: No, there was no such suggestion of any such steps.

CONSUMER AFFAIRS

INQUIRY AS TO SETTING UP OF PRICES AND INCOMES COMMISSION

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Minister of Consumer and Corporate Affairs whether he still plans to live up to his assurance that the prices commission will be appointed before the end of March, or has he decided

that April 1 would be a more appropriate date for such an announcement?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I do not intend to be in Ottawa on April 1, so I will not be making any appointments on that date. I am trying to have the commission appointed as quickly as I can, but whether we meet the end of March deadline or not remains to be seen.

PRIVILEGE

MR. MUIR (CAPE BRETON-THE SYDNEYS)—ALLEGED INACCURACY IN STATEMENT OF HON. MEMBER FOR DAVENPORT

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I rise on a question of privilege. I wish to raise a matter that has just come to my attention. Yesterday I made a speech in this house and was followed by the hon. member for Davenport. As reported at page 7093 the hon. member for Davenport (Mr. Caccia) said:

> The hon. member for Cape Breton-The Sydneys (Mr. Muir) developed certain generalities. He has also disappeared immediately afterwards.

I should like to state that I was called to the telephone on constituency business and was absent from the house for about four minutes. I returned and listened to the hon. member, and then the hon. member for Selkirk. The hon. member's statement is completely erroneous. At five minutes after six I discussed with the Solicitor General a matter regarding my constituency. This is a deliberate distortion of the facts by the hon. member for Davenport. In other words, he has been most careless with the truth.

PRIVILEGES AND ELECTIONS

REQUEST FOR RESUMPTION OF DEBATE ON MOTION TO CONCUR

Mr. Speaker: Is the hon. member for St. John's East rising on a point of order?

Mr. James A. McGrath (St. John's East): Yes, Mr. Speaker. I had hoped to put this in the form of a question to the President of the Privy Council in his capacity as government house leader.

My point of order is this. In view of the very serious difference that exists between the government house leader and the hon. member for LaSalle, who is a very successful and outstanding chairman of the Standing Committee on Transport and Communications, and in view of the very serious consequential effects this difference is having on the work of the committees of this house, would the government house leader agree to call government order No. 54, which is the third report of the Standing Committee on Privileges and Elections? Then this whole matter could be debated in the house and the future work of committees of the house cleared up once and for all?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I want to make it perfectly clear that there is no difference between the hon. member for LaSalle and myself. I am glad to hear that the hon. member is supporting the very able work of my colleague, rather than attacking the chairman, as has happened in the past.

With regard to changing the order of the business of the house, I take it that the hon. member for St. John's East does not think very highly of the subject chosen by the hon. member for Peace River in his motion.

Mr. Speaker: Order, please. I suggest to the hon. member for St. John's East that his intervention is not a proper point of order. Actually, he has used the device of a point of order to ask a question of the President of the Privy Council. It seems to me that if we were to allow the matter to go further we might spend the afternoon on this very touchy subject. I understand a motion will be moved by the hon. member for Peace River about which the house is very anxious to hear, so I suggest that at this point we go on with government orders.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—BROADCASTING OF HOUSE AND COMMITTEE PROCEEDINGS BY TELEVISION AND RADIO

Mr. G. W. Baldwin (Peace River) moved:

> That this house should give consideration to television and radio broadcasting of the proceedings of the house and/or its committees.

He said: Mr. Speaker, I should like to raise a point of order before I commence the remarks I have to make. In view of the time, and the fact that a number of members have indicated an interest in this subject and would like an opportunity to make their contribution, I would be prepared to propose a self-denying ordinance, of which I would be the first victim. I suggest that we might well limit our speeches during the course of this debate to 15 minutes. This would then permit

a larger number of members to contribute to the debate. Since the subject is of great interest and concern, we might do well to limit ourselves to 15 minutes in order to bring in other members, with no extension being granted on either side.

Mr. Macdonald (Rosedale): Then, Mr. Speaker, perhaps that could be made a special order of the house right now.

Mr. Speaker: Is the house agreeable to adopting the order suggested by the hon. member for Peace River?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

Mr. Baldwin: The house will note the terms of the motion:

That this house should give consideration to television and radio broadcasting of the proceedings of the house and/or its committees.

• (3:30 p.m.)

The wording of the motion is the time honoured wording used when this house has discovered a problem with which it has not yet determined how to deal but feels that the subject matter should be dealt with, debated and discussed. For that reason when the opportunity arose to move the motion it was introduced as a motion not involving confidence. Nor was it put in more positive terms which would indicate that the members of this party specifically are in favour of having in this house radio and television broadcasting. Unquestionably, we are all concerned, we are all involved and we are all interested. I have every reason to believe that there run through the house a variety of opinions on this matter. Some believe radio and television to be necessary here; many are convinced it is not necessary and others are convinced it may be harmful. Variations of those views are entertained in varying degrees on all sides of the house. For that reason, I took the opportunity of putting down this motion and having it debated today, the idea being that hon. members following me can make their contribution.

My position is very simple. Until 18 months ago I was categorically opposed to any suggestion that radio or television ought to be brought into the house. There was no hesitation on that point in my mind. However, circumstances which developed during the last 18 months, and particularly during the last 12 or 15 months, have brought me to adopt, with some measure of reluctance I might say, a different point of view. I wish to give the house the benefit of my views so that hon. members may debate the matter after I have finished.

One particular instance which drove me to change my mind was that which occurred about one year ago last February when, after the government had been defeated on a measure which in all other commonwealth legislative bodies would be considered a matter of confidence, the Prime Minister of the day, utilizing the time which had been granted to him to consider his position, left this chamber, and over the radio and television facilities which were available, made a statement which completely distorted and misrepresented what had taken place.

Some hon. Members: Hear, hear.

Mr. Baldwin: After all, Mr. Speaker, so long as our parliamentary system continues, the Prime Minister holds his position by virtue of being the leader of the largest party in this house to whom the Governor General will entrust confidence. In short, the Prime Minister enjoys the largest measure of support within the house. Until we have adopted a presidential system, something I will never accept, it is to this house that the Prime Minister and members of the government must come for support. Reports must be made to this house, because this house is the source of power which the government exercises. Consequently, since what happened previously has in varying degrees been repeated over and over again, I have been persuaded to change my mind. Subsequent events that have occurred in and around the House of Commons have convinced me, and other hon. members as well, that an attempt is being made to diminish the role played here by the representatives of the people of Canada.

I was not sent here to participate in liquidating or weakening the processes of democracy as constituted in this parliament and in this house.

Some hon. Members: Hear, hear.

Mr. Baldwin: I am, of course, referring to the fact that immediately outside this chamber are microphones and television cameras which, I would hazard, are being used at this moment by certain hon. members of the house and members of the government.

An hon. Member: They are.

Mr. Baldwin: The Prime Minister is probably supplementing the very meagre report he

made to this house. He completely omitted any reasonable explanation with respect to two economic problems that the people of the country and hon. members of the house are deeply concerned about, the question of oil policy and its ramifications vis-à-vis the United States, and our participation in the international wheat agreement. We obtained from the Prime Minister nothing at all; yet I would hazard that he and some of his colleagues are at this moment outside this chamber busily engaged in expanding, varying and changing what was said and saying what was not said but ought to have been said in this house.

Some hon. Members: Shame.

Mr. Baldwin: From our mass media we obtain too often only an abridged, distorted and frequently illusory version of the proceedings of this chamber. In saying that I am not faulting the members of the media, who must carry out their work. We have been dragged into our present position through our failure to come to grips with a serious and difficult problem. I think it is about time we looked at it, decided to debate it and, as civilized people, decided what to do about it. Although some of us may want to, we cannot abolish radio and television. They are here and we must learn to live with them. The chamber may have to learn to live with them. For that reason, I am glad to have had the opportunity to initiate the discussion on this matter and to obtain the views of other hon. members.

Other countries have met and overcome similar problems, Mr. Speaker. One problem of course has to do with physical conditions. There is the question of placing cameras and lights, but I have every reason to believe that those technical difficulties can be overcome. It has also been suggested that there will be too much grandstanding, and that the people here will feel they are always on display. Well, we are always on display, even now. During the question period the press galleries and public galleries are filled. I suppose no man in public life ever took great exception to a little grandstanding. If I may be pardoned for using unparliamentary language, it is part of the nature of the animal.

An hon. Member: You mean, we are all hams.

Mr. Baldwin: Another problem is connected with all the empty seats in this chamber. Many hon. members are not present in the chamber. I think it is about time the people of this country learned that hon. members work diligently in committees of this house. Yesterday we had 11 committees. If those committees are to function hon. members must attend them. My motion is wide enough to consider the possibility of televising the procedures of our committees, or of broadcasting over the radio what happens. Our people ought to know that a great deal of detailed work, such as the studying of estimates and legislation, now takes place in committee rooms outside this house. The fact that from time to time the house is not filled, as I hoped it would be filled today with hon. members eager to hear me speak—

Some hon. Members: Oh, oh.

Mr. Baldwin: —is not of great consequence.

I wish to conclude by placing on the record the remarks of Mr. Speaker McLeay of Australia, contained in the "Report of a Conference of Commonwealth Speakers". This problem has arisen in other jurisdictions and has been considered to some extent in Australia. Mr. Speaker McLeay says:

• (3:40 p.m.)

Parliamentary debates are broadcast daily in Australia and the broadcasting arrangements are not under government control. The matter is controlled by a joint committee of the two Houses, which makes the final decisions as to what debates will be broadcast and how the broadcasting time will be divided between the two houses. In all cases the committee ensures that the Opposition receives equal coverage with the government. There is continuous broadcasting of debates on Thursday from 10.30 in the morning until 11.30 at night, and at 11.30 broadcasting is cut off.

In other words, debates are broadcast all day Thursday and during the week as decided upon. I continue quoting:

According to the experts parliamentary debates command the widest listening public in the whole of Australia From time to time we hear objections being registered, but the majority of the people want the broadcasts and there is no chance that they will ever be discontinued. The broadcasting of debates has become a very important factor in keeping Australians informed of what is going on in parliament. The broadcasts are made over the national network and the debates are broadcast live from the floor of parliament. The listener hears the proceedings as they are taking place—they hear the news as it is being made.

In response to a question to Mr. Speaker as to how the members of the press gallery were affected, Sir John McLeay made the following statement:

The press are there to report good headline material. They do not report a complete account of what takes place in parliament but only those parts which have the required news value, or which can be used to promote the editorial opinions of the newspaper concerned. In my experience the greater part of the proceedings of parliament do

not seem to reach the ears of the press gallery, and if a system could be devised for assuring authentic press coverage, I should like to hear of it.

Mr. Jamieson: Is that just radio?

Mr. Baldwin: No, it is radio and television. What takes place in this house is not always of major importance, but it is essential that we be here as a mirror to reflect the aims and aspirations of the people we represent. We must consider ways and means of entering into a complete dialogue so that the people of Canada know what is happening. They can then tell us what they think about it and what they wish done.

For that reason, I am glad to make this final suggestion that this house should give some thought to this matter. There will be many debates and some time will elapse before a decision is made, but we might consider some experimentation by improvising with committees. An excellent choice would have been the justice committee which was dealing with a very important subject of great value, concern and interest to many Canadians. I read the transcript of the proceedings of the justice committee and I feel television and radio broadcasting of the proceedings of that committee would have been most useful.

The public would also be very interested to know what is going on in the public accounts committee. This committee receives very good press coverage, but I think this would be an excellent committee for radio and television broadcasting. Having done that with the aid of experts, consideration could be given to bringing into the house on an experimental basis, cameras and microphones to see what needed to be done technically and the degree of inconvenience that would be caused. Possibly a committee should be set up to study this matter.

As I said before, Mr. Speaker, I have some reluctance about this position but while I am sorry I had to change my mind, I have done so. In my opinion, this house can no longer afford not to deal with the problem facing us at the present time.

Mr. Deputy Speaker: I see the hon. member for York South and the President of the Privy Council. I might point out the practice has been to recognize first the speakers of the opposition parties on allotted days. I recognize the hon. member for York South.

Mr. David Lewis (York South): I am not sure my contribution will be as entertaining as that of the President of the Privy Council, Mr. Speaker.

On behalf of my colleagues, I want to say we unequivocally support the idea that this parliament be brought up to date. I am a little disappointed at the degree of caution which the hon. member for Peace River exhibited in making his suggestion. He seemed anxious that we go through some experimental period of introducing radio and television into the chamber. I think we are out of date in our caution on this point. Obviously, radio and television are as important a media of information as is the printed word.

A primary media of information such as television should not be excluded from this chamber. Every day we are chased out to the rotunda by representatives of radio and television networks and asked to say something in 30 or 45 seconds, which is then edited to 15 or 20 seconds. A practice such as that is not useful and is not representative of parliament As the hon. member for Peace River pointed out, we have had experiences with members of the government saying something to the house which was not very clear, often a non-answer, and then in the rotunda they make their position clear to the people of Canada. I do not blame them for doing that. If the people can get clarity from some of the remarks which are made, they are much better at it than I am. The people of Canada should have an opportunity of hearing what these ministers say in the House of Commons, not outside in the rotunda. The cameras and radio receivers should be in this chamber to record what is said.

We are all amateurs in this area, Mr. Speaker. But I think there are three areas of concern with regard to the use of television or electronic media to report the events of this house. What is sent across the air waves and recorded by the camera screens should be important and relevant information. It is easy for the camera to pick out members who have closed their eyes because they are in profound contemplation to give the impression outside that there is another reason for their eyes being closed. It is easy for the camera to catch members, who because of their seniority in this house have developed a capacity for reading a newspaper, listening to the speaker and following what they read in the newspaper without one interfering in the slightest with the other. It is also easy to pick out members writing something, although this may be the only opportunity to draft a letter; but these are not the things in which the

people of Canada would be interested. These are not the details that should be sent across the networks. The people of Canada are interested in what we say, how we say it, the behaviour of the house, the relationship and the seriousness of our work. That is the first concern, that what goes over the air and on to the screen be relevant and important information, not the kind of titillating detail that a smart cameramen or a smart reporter might consider it clever to get across.

• (3:50 p.m.)

The second concern we would have with the system is that what goes across the air and goes on the screen be fairly representative of this chamber. Not only the government's views should be reported to the people of Canada, as in some instances is too often the case, and not only one party's views should go over the air, but all the various views represented in this chamber should be presented through the media of television and radio to the people of Canada.

The third matter that concerns us is that every broadcast ought to have some entertainment value—

An hon. Member: No problem there.

Mr. Lewis: You know, Mr. Speaker, I was a member of a committee that pranced all over Europe having its brains washed about NATO. My brain was washed so thoroughly I was afraid I could not find what was left of it when I came back home, but I did find what was left. Since we came back, we have been sitting in camera writing a report with which I thoroughly and violently disagree. But since I learned about this motion today, I have been wracking my brains to find out how we can give the broadcasts some entertainment value. The only thing I could think of was to get the Minister of Defence Production (Mr. Jamieson) to sing some songs which I once heard him sing—those that would not get the networks into trouble, I might add. Perhaps we can find other things that could be done by some members of the house with acting and entertaining capacities to make the presentation a little lighter than it might otherwise be.

Seriously, however, I speak of the entertainment value in the sense that what is presented on the screen and over the airwaves about the issues have some dramatic impact. This means the right choice of issues to get the full dramatic impact from an exchange of views; it means the right choice of spokesmen exchanging those views. That is part of the entertainment value of these things.

One is concerned about these three aspects of the problem, Mr. Speaker. It is obvious that the House of Commons, indeed any part of parliament, should not set itself up as a censor. Therefore, we have to take it for granted that the choice of whether or not something is of news value, including the information and entertainment value as I have called it, must be left to the media. We do not want to set ourselves up as censors of what they do.

We do not want the people of Canada to get the impression that the members of parliament are so worried about what they say, and how they say it, that they are going to make sure they pick every word and every image that goes across. But, Mr. Speaker, I think that the question of the propriety in which this job is done, the way in which it is imposed upon our debates, and the way in which spokesmen are chosen for presentation to the people so that there is a fair reflection of the various representative views in this house, justifies the establishment of a small committee of spokesmen for the parties under the leadership and direction of Mr. Speaker. In this way, the broadcasting which can be done from the chamber can be organized. We can order where the cameras and radio receivers are to be located, at what hour they are to be used and what debates are to be used for the purpose of broadcasting. We can make sure that what goes across the air is fair, just, and representative of this house.

I, therefore conclude, Mr. Speaker, well within my 15 minutes, by saying that I am not quite satisfied with the suggestion that we discuss this matter and that we be cautious about it. I would like to urge parliament, to urge Mr. Speaker, to urge representatives of all the parties to get going on this thing right away. I urge the setting up of the necessary committee to discuss the details of doing it, to decide as quickly as possible that this will be done, and as quickly as possible set up the machinery for having it done always—and I emphasize this—always so far as the fairness of distribution is concerned under the aegis, direction and control of Mr. Speaker, with the assistance of a committee representative of all parties in the house. This to make sure that what does go across the air is not merely a matter of entertainment in the lowest sense of the term, not merely a matter of titillating the people of Canada, of poking fun at parliament which can easily be done as all of us

know, but a matter of giving the people proper information, a sense of the real debates that take place, a sense of the issues with which we have to grapple, a sense of the urgency with which we grapple with matters that are urgent, and a sense of the real way in which their representatives in parliament and the institution of parliament itself, serve them, so that if they form an opinion it is not based on something unrepresentative but on something that is truly representative of parliament.

They may then tell us to do our job a great deal better than we do it now, and I hope they will; but at least they will be doing it based on an accurate and representative presentation. We support the idea, Mr. Speaker.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, we agree in principle with the motion asking the house to study the possibility of televising and broadcasting the debates of the house; but when we try to figure out how this can be achieved, a whole series of questions come to mind.

In theory, of course, this might be one way of upgrading the role of the member of parliament, because unfortunately, as we know, at the present time the people often have a very distorted view of his work and his role in the House of Commons. The people have often been given the impression that the member of parliament comes here to sit, wait, and leave when all is done. Most of the time he is absent, which is really quite improper in view of his role as a legislator.

Fortunately, since I have come to this house, I have noticed that this is not really the case; the members take their role as seriously as possible, and really serious and at times efficient work is done here. I say at times, because it is not always so, due to the system which is inadequate.

This makes one wonder what will happen if we try to realize this project. To do so, certain factors will have to be taken into account. The first on which will depend the efficiency of the programs will be the necessity of being objective which cannot be achieved merely by focussing the cameras on all the parties in the house. But how can the role of each one be determined? How are the essential parts of a debate, which should be made known to the public, to be chosen? That is the initial difficulty we run into at the very start.

In addition, who will decide what interventions deserve the attention of the Canadian people and what criteria will be used?

If we succeeded in doing that, it would be a very good thing, of course, since the people could see that members are playing their part in the best way they can. But I believe it is impossible, on account of our parliamentary system.

I assume that should such a project materialize, the party that would get the worst of the bargain would precisely be the party in power since—this is another thing we have noted—most of the government members are scarcely allowed to express their opinions and should the broadcasting reflect their work, it would not be a good omen for the next election campaigns. I cannot stand up beyond measure for the party in power, but the fact remains that this is what would happen.

• (4:00 p.m.)

Mr. Speaker, I wonder how the government party could approve of such a thing since its role, considering the present parliamentary system, is limited as we noticed last evening, to that of a voting machine. There would not be anything spectacular in showing the people how the voting machine is working. I believe it would be a disaster for the party in power, considering the great regard we have for all members.

We expect to be in power also one of these days and we would be pleased with such a system since it would give everyone greater freedom of speech and would enable the people to note how objective we strive to be.

Mr. Speaker, how could we also avoid discrimination? How could we avoid the star system? The broadcast time would therefore have to be divided evenly.

Perhaps I forgot to point out, Mr. Speaker, that should such a project materialize, there would have to be a half-hour or an hour of television broadcasting per day, which would give a summary of a day's debates.

The producers will then have to draw objectively from the debates their very essence and to illustrate it with the contributions of the members. This is the way I see it in view of the fact that otherwise what is said in the House of Commons can sometimes lead to utter boredom. In fact, it would be unthinkable to impose such torture all day long to the Canadian viewing public.

That is why I think that we should rather present a program which would summarize what has happened during one sitting of the house; but how to distinguish what is important, how to determine who has made a real

contribution to the debate, and how to illustrate it through television or radio? The question certainly calls for consideration but I do know that the solution will be a very difficult one.

The party in power, perhaps in view of the fact that it already has quite an unusual star in the person of the Prime Minister (Mr Trudeau), might think that it would be advisable. However, the program should be divided into parts. One part of the program would be devoted to the young people, another probably to the space travel on which the leader of the Progressive Conservative party (Mr. Stanfield) would appear.

In fact, the most popular portion of the program and which would certainly have the highest rating, would be that reserved for the remarks of the leader of the Ralliement Créditiste (Mr. Caouette). Then we are sure that other members would be discriminated against since the leader of the Ralliement Créditiste would get the highest rating.

So, taking all this into account, it is very difficult to say what we can do at the moment. It is worth considering so as to do justice to all hon. members.

As I said earlier, we are all doing our best according to the limitations set by the rules.

Just imagine, for instance, television cameras covering the house at this very moment. The people would say: Where are all the members? What are they doing? The television public would suspect the members of taking it easy, whereas some of them are working in their office or attending committee hearings. In fact, the day is by far too short for us to complete our task.

So, when we come to think of all these details, I suggest we should seriously consider the possibility of having the debates of the house on television. Everybody seems to agree. However, we would not want to remain under the spotlights all the time of the broadcasting period.

[*English*]

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I would have congratulated the hon. member for Peace River (Mr. Baldwin) more unqualifiedly in bringing forward this motion were it not for the narrow, petty partisanship with which he began his remarks. I will say only that I do not think anyone, even the hon. member for Peace River (Mr. Baldwin), seriously thinks that by bringing the television cameras in here we will prevent members both of the government and opposition appearing on television or radio outside the house. He sounded like a latterday Luddite who wanted to destroy the machines and the methods that are being used. I do not think we should try to put any kind of gag on the press.

An hon. Member: They will be a little more careful outside.

Mr. Macdonald (Rosedale): As the hon. member for York South (Mr. Lewis) knows—

Mr. Lundrigan: Mr. Speaker—

Mr. Macdonald (Rosedale): I would like the courtesy of being permitted to continue my speech.

Mr. Lundrigan: I do not know if there is any courtesy but—

Mr. Macdonald (Rosedale): The hon. member for York South (Mr. Lewis) referred to the fact that ministers go outside and make remarks. But so do opposition members who state their own version of events. This has happened before and will happen again even if television is brought into the house.

Mr. Lundrigan: Mr. Speaker, on a point of order. I was going to address a remark to the hon. minister but he cut me off absolutely. I do not think he would be in favour of television in the house because—

Mr. Deputy Speaker: Order.

Mr. Macdonald (Rosedale): I suppose if one were to televise a kindergarten, the hon. member would be a prime candidate for it.

It seems to me that the proposal brought forward by the hon. member for Peace River is quite reasonable. Broadcasting, by television and radio, of our proceedings is a possibility that frankly we ought not ignore. It would be my view that this is a question which can and should be discussed by the new standing committee on procedure and organization. I think the hon. member for Peace River would agree, however, that there are and have been other matters of greater priority for consideration by that committee, particularly the matter dealing with the procedures of the house. It must be the first concern of the house, and the committee on procedure and organization, to ensure that our procedures are enabling us to do our work as well as possible. Thereafter, I expect that the house will want to ask the Standing Committee on Procedure and Organization to

make a preliminary study of the question of working out appropriate procedures for broadcasting in the house. I repeat, however, that I believe we should let the committee complete the work we have given it. This debate provides a good opportunity to place before the house a number of problems which arise from the proposal to televise the proceedings of the house. I think we all agree that televising the proceedings would have a very strong influence on the way the house works.

• (4:10 p.m.)

Dr. Marshall McLuhan has indicated that house proceedings now are essentially a linear medium. Of course, if television comes into the chamber it will very much change the manner of our proceedings. Indeed, presenting our proceedings on television will make as much change in the proceedings of the house as was made to the procedures of the British house when Mr. Hansard first commenced his work of reporting its proceedings.

I share the concern of the hon. member for Peace River, and will not repeat his observations, with regard to the misunderstanding that could take place on the part of the public as to the work being done by the house, particularly with regard to the question of all hon. members not being present at all times. All hon. members are not present at all times, just as all the members of the press gallery are not present at all times because they are engaged in other activities elsewhere in the house with respect to their responsibilities. So are members of the house engaged in other activities elsewhere. We will have to make it perfectly clear, if and when television comes into this chamber, that there are many and multifarious activities in which hon. members engage. This was referred to by the hon. member for Peace River. We will have to make it clear that the business is being carried out effectively and carefully.

There are a number of purely technical questions which arise. For example, there is the question of the clutter of wires, cables and equipment necessary to televise the proceedings in the chamber. Much of this equipment will be located in the chamber. The discomfort created by the glare of lights and the great heat from them at the start of this session will be recalled. These technical problems would have to be solved.

Probably the most serious question is the one already touched upon by hon. members. I refer to the question as to what would be televised and what would be broadcast. First, who would direct the cameras? Who would decide what member and what view of the member would be selected? Second, who would decide what part of the film would be broadcast? The second of these two questions, namely, who would decide what things on film would be broadcast, could be answered if we broadcast all of the proceedings of the house all of the day. However, I think there would be general agreement that such non-selective treatment of the proceedings of the house would be favourable neither to the house nor necessarily favourable to the viewer. There would be, of course, the matter of the extra cost involved if we had, for example, an educational television channel and the proceedings of the house were carried on it.

Mr. Baldwin: You could get a sponsor.

Mr. Macdonald (Rosedale): I am afraid I did not hear the hon. member's remark. I think we could draw some interesting conclusions from the examinations made of this question by the two houses of parliament in Westminster. The select committee on broadcasting the proceedings of the House of Lords, in June, 1968, recommended that both the actual act of televising and the selection of the material to be broadcast should be left to the broadcasters themselves. In this way, as the Lords pointed out, it would not be necessary for the house to maintain its own staff and it would be left entirely to the broadcasters as to what they presented on the air.

I think it is interesting to contrast this with the view set out by the select committee on broadcasting the proceedings of the House of Commons at Westminster. I quote from its first report:

> In the view of your committee, the most interesting, informative and shapely programs would consist of edited extracts from the proceedings of the house. For this purpose a recording of the whole of the proceedings should be made available to the broadcasting organizations. Many different types of program, making use of such material, could be produced—

The report goes on to suggest the kind of material that could be used. On the question of control, the British Commons' committee, unlike the Lords' committee, was not prepared to let the broadcasters decide. I quote again from the report of the British House of Commons committee:

> Your committee consider that the house should retain control of the preparation of the full television and sound transmission which would be "piped" from the house.

At a further stage the report reads:

Your committee are of the opinion that the task of providing the full television and sound "feed" should be in the hands of a special unit to be known as the House of Commons Broadcasting Unit.

The committee of the British house was quite prepared then to let the broadcasters decide what parts of the material fed to them should be broadcast. On that point they commented in this way:

—the broadcasting organizations are under an obligation to present political matters with accuracy and with due balance and impartiality

I am sure that every effort would be made by the media here to do the same. This drives us to the question, with regard to broadcasting our proceedings: Is the house ready to undertake, first, to produce the tape or film and, second to prepare the programs from the tape or film? If the answer to that question is in the affirmative, this house would then be deeply involved in the business of broadcasting.

I would like to refer to another matter en passant. Serious thought would have to be given to this question. I refer to the effect of broadcasting our proceedings on civil and criminal liability, due to the fact that in effect what we broadcast would be privileged material. Hon. members no doubt would have parliamentary privilege regarding what they said in the house. But with the current state of the law, I think it is likely that the broadcasters would not. We might have to introduce legislation like the Australian legislation, giving the broadcasters some form of immunity from suit arising out of such broadcasts.

I have not dealt specifically with the broadcasting of the proceedings of the standing committees, but it seems to me that very much the same considerations would arise. In closing, Mr. Speaker, I would not like to give the impression of dwelling too much on the difficulties. I believe it would be a positive step if we could find some judicious and generally acceptable way of presenting the proceedings of the chamber through broadcast by radio and over television. I hope that when the Standing Committee on Procedure and Organization has dealt with the proceedings of the house and its committees to the satisfaction of hon. members, we might proceed to the question of broadcasting the proceedings of the house. Then, we could ascertain the view of the committee and the house on this question and what specific arrangements we should make.

[Mr. Macdonald (Rosedale).]

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, the proposals regarding the use of television and radio in connection with the House of Commons are not new in Canada. Discussion in this respect has certainly not been restricted to Canada. I suppose the arguments for and against the proposal really have been pretty thoroughly made, although not in the house. Therefore, I think it is an excellent idea to have an opportunity today to talk among ourselves about the pros and cons of this question.

I agree with the house leader—I am happy to find myself in agreement with him from time to time—that it is clear that the use of radio or television in this chamber would certainly effect some changes in parliament. I think it would be misleading to pretend anything else.

The use of these media here would bring about substantial changes. I suggest that our discussion today has to be on the assumption that there would be such changes, and any decision we make must be based upon a consideration of the nature of these changes and their exact effect upon parliament. Some of the effects of these changes have already been discussed.

I have personal reservations in this respect, in so far as I am a member of the House of Commons, where my own comfort is concerned and choice of working conditions. I would far sooner continue the way we are and not be subjected to the glare of lights, which would be the case if this proposal were put into effect. I appreciate the concern of other members about the effect these changes would have upon us workers, as people doing a day's work. I appreciate their concern about the effect that the introduction of television or radio would have upon the kind of chamber this is.

As the hon. member for Peace River (Mr. Baldwin) said, there is certainly a wide difference of opinion among Progressive Conservatives on this whole subject. I think this also applies to members of other parties.

• (4:20 p.m.)

I approach the question from this point of view, and this is why I am speaking in this debate. I think it is important that we recognize the effect that radio and television are already having upon this institution. It is just as important, and indeed very urgent, that we consider the consequences that would probably ensue for this institution if we continue to go on as we do in our present circumstances.

One of the important facts about our debate today is that, for all intents and purposes, we are already being televised in a certain sense. Of course, the television cameras are kept outside the doors of the chamber or they are in studios downtown. I am certainly not suggesting for a moment that the use of radio or television for the purpose of interviewing members outside the house should be restricted in any way. I want to make that very clear. I do not suggest that, even if we had television and radio in here, this should prevent the members of the house from appearing before the television cameras outside the house, nor would it be desirable to try to prevent them from doing so.

My point is that we should consider whether there would not be a more accurate representation of what goes on here if radio and television were allowed into the house, because sometimes, of course, radio and television outside convey the opinions of hon. members of unquestioned probity and judgment like myself and at other times a minister is televised giving a different answer than the one he gave in the house. I have no intention of criticizing anyone when I suggest that, in the corridors of the house, television and radio interviews are often so condensed and selective that they convey perhaps a false impression or a caricature of what goes on here. This is perhaps in one sense an abuse of television as a medium of communication because of the special capacity that television has to convey an event rather than to convey a report of an event. As a result of what is going on, parliament is made to seem more hectic and more partisan than it actually is.

I am participating in this debate because I am concerned about what is happening to parliament. I am concerned about the fact that in the minds of the people of Canada the discussions they know about, and the discussions that have their impact on them, are not those that take place in the House of Commons or in parliament but those that they see or hear on television or on radio. In other words, I am concerned about the fact that what is going on now is downgrading parliament. I think that parliament has been downgraded in other ways, but I also think that the way in which radio and television is being used now is downgrading parliament. I think that we, as members of parliament, have to recognize that if this continues, parliament will become less and less important to the people of this country. All the members of my party agree and are concerned about parliament being downgraded for this or other reasons. We are certainly not all agreed on the solution, but I am convinced that if what is going on now is allowed to continue, it will kill parliament as an effective deliberative institution in this country.

I say with all the emphasis I can that, although I recognize that there may well be differences of opinion as to what is the proper solution, we have to find a solution because it is essential to the continuing vigour of this institution.

The question we are discussing now also involves to some extent the right of the public to know and to follow, in as direct a way as possible, the conduct of public business. We should at least consider the prospect that, with proper safeguards, radio and television might well improve public understanding of our Canadian institutions and our political processes and might very well allow Canadians to be better informed about the public business. It will encourage them to become more involved in public life and in the discussion of public questions. I like to think at least that parliament would become more respected if it were better known. I suggest that there might very well be less criticism of parliamentary debates if there were more opportunity to hear this house debate important measures. We might very well reduce the suspicion that parliament is isolated from the country if there were a better opportunity for citizens to hear their representatives speaking in parliament.

We have in this medium a potentially great instrument of education and information, a medium which has to be treated with great respect because of its great impact. I emphasize that this is not a matter into which we would want to rush. Other hon. members have referred to some of the matters that would have to be considered, and I certainly do not propose that we should suddenly open all of parliament to television. However, I suggest that we should begin experimenting, either by using radio or television in a committee or in some other way. I think also the whole house would certainly want to consider very carefully, perhaps through a committee, the best way to begin. We are having this discussion today to give hon. members an opportunity to express their concern.

I will not take more of the time of the house because I really have only one major point to make, which is that if we allow radio and television to be used outside the house only, parliament will be diminished and

eventually killed. I do not want to see parliament further downgraded. Therefore, I think it is very urgent that each member of the house consider very carefully whether the danger is great, as I think it is, and what is the most appropriate solution. I agree that this is a matter that has to be approached with considerable care. I am not suggesting that we should go from the frying pan into the fire, but I would very much like to help the house get out of the frying pan which, I am afraid, will cook parliament to death unless we do something about it.

Mr. Robert Stanbury (Parliamentary Secretary to the Secretary of State): Mr. Speaker, I welcome this debate today and I am glad to have the company of so many more members in proposing a study of the broadcasting of parliamentary proceedings since the opposition members have joined our ranks. I have been in favour of the broadcasting of parliamentary proceedings since I came to this chamber more than three years ago.

I beg to differ respectfully with the Leader of the Opposition (Mr. Stanfield) when he says that there is a danger that television will kill parliament or even downgrade it. I believe only those who sit in this chamber can do that. What people generally lack is an insight into the processes of parliament. I was happy to see the advent of television into parliament on September 12 last on the occasion of the opening of parliament. People were able to get a glimpse, at least, of the process.

• (4:30 p.m.)

Mr. Stanfield: On a point of order, Mr. Speaker. I was not suggesting that television in the house would kill it. I was suggesting that what is going on now would do so. I do not want the hon. member to misunderstand what I said.

Mr. Stanbury: I think I understood the hon. gentleman. I am suggesting that television coverage either inside the house or outside parliament will not kill parliament; if it is killed it will be the fault of those who sit in it, not the fault of the news media, electronic or print. As an experiment, the televising of the opening of parliament was not, in my opinion, an unalloyed success. Members of Parliament perspired and squinted under the extra illumination which brought more of both heat and light to the house than the members had ever been able to generate. Sunglasses sprouted from parliamentary brows, eyes smarted, heads ached and shirts dampened. The relief was unconfined when those lights finally went out.

But the walls of parliament did not fall; the institution was not noticeably undermined; its members survived the experience unscathed except for a few scorched retinas. It was a quiet, tentative step, but in the parliamentary context it was a precedent of almost monumental proportions. It may have been accepted calmly by the viewing and listening public, who now take for granted that everything, or almost everything is televised. It may have looked like a modest gap in the electronic barrier around parliament, but I believe it was an historic step in the campaign which some of us have been waging to give democracy new visibility in Canada.

The party conventions of the past two years, brought as they were into the living rooms and even the taverns of the nation by radio and television, gave millions of Canadians their first real insight into the political process. With the help of a few fresh and fascinating personalities, the electronic media ignited a popular interest in politics and gave them a new relevance for the average Canadian. He was there at those conventions and he probably saw more of them than we who were physically present. Where does he go from here? He has chosen his leaders; he has picked his parliament. Now, he wants to see and hear them and it in action.

Will he be able to do so? I am sure we shall have to do something about those lights, but I have a feeling that broadcast coverage of parliamentary committees at least cannot be held back.

An hon. Member: There would have to be a quorum.

Mr. Stanbury: After that, it is surely only a matter of time before parliament recognizes radio and television fully as information media, with all the rights and privileges of the other, older media.

Some parliamentarians shudder at the thought of television or broadcasting. I have heard some of them today express feelings of this kind, though they have not yet got up to speak. I think the introduction of television would encourage a more responsible approach to debate. Why should not the most modern media be used to strengthen communication between parliament and the people? If we want mass involvement in our politics, what better means could there be? More than ever our democratic institutions are important to us. We crave involvement and we need it. But

television has involved us in the events of our times—wars, riots, disasters—without involving us equally in the processes by which our problems must be resolved. We are more than ever aware of the problems of our society, but we seem little involved in their solution. In an age of total information not many of us know much about the way in which our own federal and provincial parliaments work. Even after the events of the past two years, most of us recognize that a wide gulf remains between our political institutions and the people they are supposed to serve. Yet, on these institutions rests the future form, even the very existence of our country.

The electronic media offer the means to help bridge the gap between parliament and the people, to give democracy a new visibility in Canada. A television drama, "Quentin Durgens," has stimulated public interest and perhaps led to a better understanding of our work. We have seen how exciting a leadership convention can be. Why not expose the parliamentary process itself to public view? It is true that a few hundred people each day can watch parliament in action from the galleries, but what a fragmentary view that is at best, and what a pitifully small number of Canadians ever take the opportunity. They can, of course, get reports from newspapers and newscasts, but why should they get them at second hand? They can subscribe to *Hansard*, but how many bother to do so, or wade through it if it is delivered to them? Radio and television are ideally suited to bringing the parliamentary process home to the people.

There are various views on this subject, Mr. Speaker. The President of the Privy Council (Mr. Macdonald) has suggested that the whole matter be considered by the committee on procedure. I believe this is a reasonable suggestion, although I would hope that some experimentation at least could proceed in the meantime. I see no reason why a start could not be made in at least one committee of the house; I think we could afford a certain daring in this regard. My own view is that parliament should permit broadcast coverage of all its proceedings with the same freedom as is accorded to the traditional press, subject only to the practical physical limitations and the usual restraints of parliamentary privilege. As at the United Nations, "live feed" or tape could be made available to any network or station under the supervision of a non-partisan person, in our case, Mr. Speaker. It seems to me that radio and television editors, no less than newspaper and magazine editors, should be able to exercise their journalistic judgment in selecting what they wish to use subject, of course, to parliament's historic but barely used power to punish those responsible for breaches of parliamentary privilege.

I do not expect this perfectly logical development to come tomorrow. Fear is a formidable barrier to this kind of parliamentary development. But fear of cameras and microphones is no more well founded in my opinion than the fear which prevented the dreaded pencil being used in the reporting of parliamentary proceedings in the mother of parliaments until the last century. Parliamentary secrecy which had originated as a defence mechanism of the Crown and been preserved a defence against Crown control, continued as a guard against public interference. The struggle between parliament and the Crown became a struggle between parliament and the people. Eighteenth century parliamentarians accepted the theory that they were representing the people, but refused to acknowledge that they were responsible to the people. Why then should they inform the public of their proceedings? A party system was developing as a more practical method of changing governments than revolution or civil war, but opposition to the King's government was considered disloyal, harmful, fractious and therefore as something to be suppressed.

The issue of parliamentary reporting, which had been going on for some time as a kind of bootleg operation, came to a head in April, 1738, as a result of crusading publisher Edward Cave having published a speech before it had been delivered. It marked a setback for parliamentary journalism, as may well be imagined. The debate on the incident ended, with the following resolution:

• (4:40 p.m.)

That it is a high Indignity to, and a notorious Breach of the Privilege of his House, for any News-Writer, in Letters or other Papers, (as Minutes, or under any other Denomination) or for any Printer or Publisher, of any printed NewsPaper of any Denomination, to presume to insert in the said Letters or Papers, or to give therein any Account of the Debates, or other Proceedings of this House, or any Committee thereof, as well during the Recess, as the Sitting of Parliament; and that this House will proceed with the utmost Severity against such Offenders

Some of the arguments of the hon. members then have a familiar echoing ring today. Sir William Yonge said:

I have observed, Sir, that not only an Account of what you do, but of what you say, is regularly

printed and circulated through all Parts, both of the Town and Country ... if you do not either punish them, or take some effectual Method of checking them, you may soon expect to see your Votes, your Proceedings, and your Speeches, printed and hawked about the Streets, while we are sitting in this House.

Thomas Winnington, Esquire, said:

—if we do not put a speedy Stop to this Practice, it will be looked upon without Doors, that we have no Power to do it, for the public will very justly think that if we had such a Power, we would exercise it. And then, Sir, what will be the Consequence; why Sir, you will have every word that is spoken here by Gentlemen, misrepresented by Fellows who thrust themselves into our Gallery. You will have the Speeches of this House every Day printed, even during your Session. And we shall be looked upon as the most contemptible Assembly on the Face of the Earth.

Sir Robert Walpole made this contribution:

I have read some Debates of this House, Sir, in which I have been made to speak the very reverse of what I meant...had I been a Stranger to the Proceedings and to the Nature of the Arguments themselves, I must have thought this to have been one of the most contemptible Assemblies on the Face of the Earth. What Notion then, Sir, can the Public, who have no other Means of being informed of the Debates of this House than what they have from these Papers, entertain of the Wisdom, and Abilities of an Assembly, who are represented therein to carry almost every Point against the strongest and the plainest Argument and Appearances.

A crack of light appeared, though, in the remarks of Sir William Windham, the leader of the opposition:

I don't know but they may have a Right to know somewhat more of the Proceedings of this House than what appears upon your Votes; and if I were sure that the Sentiments of Gentlemen were not misrepresented, I should be against our coming to any Resolution that could deprive them of a Knowledge that is so necessary for their being able to judge of the Merits of their Representatives within Doors.

Before the end of the 18th century that view, so gingerly advanced in 1738, was to prevail. Although the rule of secrecy was never formally rescinded, reports came to be tolerated. In 1803 reporters were assigned the back row in the Strangers' Gallery, and a special press gallery was built in 1831 at Westminster. Parliament, now opened to wider public view and criticism, was forced increasingly to recognize its responsibility to the electorate.

Today parliament's resistance to the modern, electronic news media seems as difficult to budge as was the bar against the dangerous print media of centuries past. And the need to sweep it away seems to me as great. Once again parliament needs to be more effectively exposed to its electorate; our means of democratic choice needs to be broadened by the freedom which knowledge gives.

To my colleagues who are fearful of this exposure I would refer the great parliamentarian, Edmund Burke, who said this:

It ought to be the happiness and glory of a representative to live in the strictest union, the closest communication with his constituents.

Since democracy began the key to its success has been participation. In the Greek city state, the people could see their government being carried on. In our burgeoning societies since, this has become increasingly difficult and government increasingly remote from those who choose it and whom it serves.

In my view, the electronic media offer the golden means to bring the people back into intimate contact with their institutions and their leaders, stimulating an awareness and a crackling circuitry between them which will ensure that our institutions are responsive to our needs and wants. That may be, indeed, the only way to save, or even justify saving, the institutions on which rests the future form, even the existence, of our country—

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

Mr. A. D. Hales (Wellington): Mr. Speaker, I am sure the house appreciates this opportunity to discuss the subject of televising or broadcasting over the radio the proceedings of this house. It is only natural we should have this opportunity because this question has been discussed outside the house in many places across Canada, and I think this is the forum where it should be discussed.

It is high time we had the opportunity to air some views on this very important question in view of the fact that the New Zealand parliament has been broadcasting, either by radio or by television, its proceedings since 1936. The first broadcast of the proceedings in any Canadian parliament was in the legislative assembly of Saskatchewan in 1946. The Australian parliament has been broadcasting and televising its proceedings since 1946. On October 15, 1958 the opening of the parliament of Canada by the Queen was broadcast for the first time. So, as time moves on it seems only natural we should come to this point in our history and discuss this important subject.

When you go back in history, Mr. Speaker, you find debates were held in the British House on the subject of even allowing the

press to come into the House of Commons and report. There was a debate on whether any of the happenings in the house, the debates or arguments, should even be published. There was a great and fiery debate on that subject. There was another great debate in the United Kingdom about whether to have *Hansard* in the House of Commons. We now come to the use of the news media of television and radio in our own Canadian Parliament.

There is little doubt, from the individual point of view and more particularly from the point of view of individuals in political life, that an opportunity to appear on television is attractive. We are all human in this regard. One of the dangers of the question we are now debating is that this attractiveness makes it very difficult for members to look at this proposition objectively. It is all too easy to accept the argument that televising the proceedings of this house will bring parliament to the people raw and unedited, thus overcoming the distorted picture of us that some members claim is given out daily by newspaper, radio and television commentators.

It is natural for any member to see himself as the continuing star of a national television show with a captive audience of millions. Despite its attractions and despite all the ready arguments in favour of televising house business on a daily basis, I must confess that I personally have begun to have second thoughts about this question. As I speak I cannot say that I have definitely made up my mind on this matter. However, this is the sort of airing that will give each and every member of the house an opportunity to make up his mind. I do not think for one moment that all of the members of my party are going to say that they are in favour of television, or likewise on the other side of the house.

I have no criticism of the principle of televising our proceedings. I am wholeheartedly in favour of the principle of the voters' right to know, to see and to hear all aspects of public business. For that reason I ignore the arguments advanced in an earlier day in the United Kingdom and here in Canada regarding coverage of house business by the daily press. Those arguments centred largely on quite another point. They were mainly concerned with the basic question of the public's right to be informed and, conversely, the right of elected representatives to keep secret the manner in which they did the taxpayers' business.

• (4:50 p.m.)

How things have changed since then. This point is no longer relevant. The right of the public to be informed about our business was conceded long ago. What we are concerned about here is an amplification of the means by which our proceedings are brought to the public and whether providing for additional coverage of house business by an additional information medium will confer more benefits than drawbacks it might create. It is in this area of discussions that I have reservations. As I have said, I uphold the principle of television coverage of the house but have serious misgiving as to whether it can achieve all or any of the things its proponents promise for it. I wonder whether it will not actually damage the quality of parliamentary business.

For instance, it has been argued that television coverage of the house itself is necessary if we are to do away with the daily interviews before television cameras in the rotunda. If hon. members look outside the chamber they will see three or four television cameras, floodlights and all kinds of equipment. That degrades the dignity of the rotunda and of parliament. If we are to televise house proceedings, let us do it properly and give the public the original viewpoint instead of the second hand version they obtain from the media in the rotunda. If we are to have television here I think the public is entitled to see the actual proceedings taking place in the house. For instance, if television had been present in the house today the Prime Minister would have made a much longer, more explanatory and more informative report on his trip to Washington. I think that other hon. members who spoke after the Prime Minister, including the Leader of the Opposition, would have been listened to throughout the country with great interest and the public would have been delighted.

We face tremendous technical questions in this field if we agree to permit house business to be televised. We should all ask, on what basis will we permit television? Will proceedings in their entirety every day be televised? Will they be televised on a selective "great occasion" basis, or on a limited every day basis. For example, would each day's question period be televised? Would budget night be covered or would supply days be covered? On what basis would there be coverage?

Then, too, we face the problem of what programs to bring to the public. Who is to say how much will be given to the public, and at

what times of day and on what television stations? A great variety of schemes have been advanced. One is that television cameras should be installed in the house and roll continuously throughout all sittings of the House of Commons. This, it is argued, would provide a sort of videotape *Hansard* that television editors and reporters could resort to for the particular bits and pieces they might find of interest to their own small areas. Another suggestion is that only one restricted period of each sitting, such as the question period, should be televised. Yet another idea is that only grand occasions such as budgets, etc., should be televised.

There are simply a few suggestions. Yet another suggestion is to have a continuous telecast of house business carried on a special channel that would be free of other programs. All these ideas, I believe, have merit; the advantages of each can be persuasively argued, but all of them carry within them great problems.

For instance, just as soon as we introduce any element of selection to any method of telecasting parliamentary procedures we will raise the very difficult question of who will be authorized to make that selection. The main problem in this regard will concern the chief officer of the house, Mr. Speaker, and those who operate the television networks and stations. Beyond that is the question of selection as between the government and opposition, as between the various political parties represented in the house and, last but not least, the problem of selecting performers from the same party. All these questions will involve problems. For instance, if the question period only were to be televised, party leaders and members of the so-called shadow cabinet would quite naturally appear on television a disproportionate number of times. If we were to seek to overcome this difficulty we would run the risk of making such appearances appear contrived and unnatural. If a continuous videotape record were kept of proceedings, television editors and reporters undoubtedly would secure clippings of the performance of the member representing their locality to be used in local television stations. But, I ask what about the many hon. members in whose riding there is no television facility or only one station that is enmeshed in network programming commitments? Consider the number of homes without T.V. sets. It may be that under the present system a third or less of hon. members in this house will obtain extensive television coverage in their own ridings; all other hon. members will not appear on television in their home ridings.

It is argued that parliament has fallen into disrepute with the public in recent years and that people tend to ignore and belittle this time honoured institution. Those who advance this argument say that whether you like it or not television is the modern method of communication and parliament must adapt to it if it is to survive as a meaningful institution. I must admit that I agree with a great deal of this argument. My reservations are based more on the apparent impossibility in the present state of things of making television coverage of the house do what we expect it to do. I have no wish to labour either my agreement with the principle of television or my reservations with regard to the actual practice of televising house proceedings. I simply wish to close my remarks by advising the house how important it is to consult responsible television people about every phase of televising our proceedings. In my limited discussions with responsible television people I have discovered that their objectives in securing television coverage of parliament are not necessarily the same as those of hon. members of the House of Commons. In fact, in some cases those objectives are diametrically opposed to ours. Yet, these television people would be the most important single element in any beneficial scheme of television coverage. I think the most important thing to be borne in mind is that under most of the schemes suggested for televising house business those in the television medium will retain the right of selection and editing. This presents a problem for those of us who see in the televising of house affairs a means of bringing the true picture to the public free of distortions resulting from selection and editing.

I wish to say a word about the cost factor involved, because we will be putting the burden on the taxpayer and he must be kept in mind. It is a major factor. It appears obvious that the televising of the house can not and will not be undertaken on a strictly commercial basis. This means there would be subsidized coverage, and subsidized coverage means expenditures of great amounts of tax dollars. We shall have to consider the question of whether the benefits of television coverage are worth the money required to sustain that coverage.

The only figures I have on the cost factor were submitted to the British house. A study of this matter was undertaken in Great Britain and the British Broadcasting Corporation

as well as independent television authorities provided some cost figures. They showed that one day's coverage would cost approximately $33,000; two days would cost $42,000 and three days, $51,000. I took the average of three days, which works out to about $17,000 a day. During the present session the house has been sitting for 121 days. If house proceedings this session had been televised for the entire period so far the cost of that coverage would have been slightly more than $2 million. Clearly, we are looking at a very costly operation when we consider televising the proceedings of this house.

In conclusion, Mr. Speaker, I suggest it might well be worth our while to ask Your Honour to set up a special committee to look into this entire matter before we debate it further in this house. It is a highly technical and highly controversial matter. If you could set up a small committee that would include principal operating executives of various television networks and independent television stations I am sure we could obtain a much clearer view of what is possible and what is impossible with regard to this question.

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

Mr. Hales: I have just one more sentence and I shall be finished, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Order, please. It was understood there would be no extensions.

Some hon. Members: Carry on.

The Acting Speaker (Mr. Béchard): Is that agreed?

Some hon. Members: Agreed.

• (5:00 p.m.)

Mr. Hales: I just have one more sentence, Mr. Speaker, and I will be through. I am sure we would be able to get a clearer view of just what is possible and what is impossible with regard to this question. We would also get a clearer view as to just what it is we seek to achieve through television coverage of the house and what it is that the television people are looking to attain. We could start our discussion of this problem on much surer ground if we had some hard facts before us. Having those facts, I am sure hon. members would be in a position to take a stand and vote on this very important matter.

In conclusion, I would again say that I think it is wonderful that we in this house have had the opportunity to give our views on this subject. I hope consideration of the subject will continue through the formation of a committee. In the meantime I would like to see committees televised. We can continue from there when all the facts are available.

Hon. Donald C. Jamieson (Minister of Defence Production): Mr. Speaker, I quite agree with members opposite when they say this has been a most useful discussion. It has been doubly so because we have all recognized that this is not in any sense a partisan issue. There are many different points of view in all parties as to whether we should proceed along the lines some suggest, namely to televise parliament. To me that is a very grave over-simplification.

What we have really been talking about today, Mr. Speaker, and what will become more obvious as time goes by is that we are talking about an explosion in communications and the difficulty at present, despite the new means of communication, that we have in getting the full story of developments within our country, and indeed within the world, across to the general public. Because of this fact, those who advocate wrack and ruin if television is not brought in are probably overstating the case. By the same token, I think those who anticipate enormous improvements and benefits if it is brought in are probably being a little too sanguine about the likely results of this development.

Perhaps it will be accepted by hon. members that I have some experience in this field. With that background, I say hon. members should be aware that nothing which goes on outside this chamber will be changed significantly by televising proceedings inside the chamber. I am quite satisfied that what we are discussing here is the addition of another dimension. I suppose we could pass regulations prohibiting the jungle of microphones and television cameras in the rotunda, but it is well beyond our competence to prohibit members from going to television studios or being interviewed in their offices and other places. We must accept the fact of the multiplicity of sources outside. This will go on and probably expand if the proceedings inside the house are televised.

There is a very good reason why that will happen, apart from those raised this afternoon. That is each medium wishes to be as distinctive as possible. If we simply made one record of events in this house available, it

would mean that each station or outlet would appear to be precisely the same in so far as the viewer is concerned. I feel quite certain we can anticipate in the event that station "A" or network "A" choose to take the taping, filming or whatever the process is in the house of a particular speaker that station "B" or network "B" will be anxious to get him so that they will be able to get a different point of view and different point of presentation. I re-emphasize this point because members should not be under any illusions that televising the house will in any sense cut down on the so-called confused state that many of us deplore on the outside.

We are embarking on a very complex kind of operation. I do not say this in any negative fashion, but merely to let hon. members see the complexity of what we are approaching. Ideally, we ought to have a television hookup through a series of stations from coast to coast in Canada that would carry the proceedings of this house from beginning to end. This in itself is not a very satisfactory way of ensuring that the so-called fairness doctrine is maintained. In other words, if a Canadian citizen wants to be sure of getting all points and is satisfied to sit for approximately 27 hours per week, then he might be able to get a comprehensive assessment of parliament. That would be theoretically ideal; however it would be too expensive for this country to contemplate at this time. It would require, in effect, the duplication of every existing station now in the C.B.C. network which covers most of the country. It would be necessary to parallel those services. I, therefore, think it is an unreasonable expectation.

I studied this matter as a broadcaster and as a member of an earlier committee of this house a season or so ago. We discussed this informally on a number of other occasions. The real nub of the problem is, how does one ensure that the end result of our efforts is a better informed public? How do we ensure that it will not add to the distortion? The difficulty of course comes in the editing process. I wish there were more time to speak on this subject because it is a most intriguing development.

With regard to the whole concept of the role of a documentary, we are hearing some of the best and most qualified producers in Canadian television arguing it is not their responsibility to present a balanced viewpoint in a particular program.

Mr. MacLean: Like seal hunting.

[Mr. Jamieson.]

Mr. Jamieson: Like seal hunting, if my friend wishes to use that example, or on pollution, as recently occurred in Toronto. This house would have to be quite prepared to assume that out of the plurality of sources which would be using this material, the end result would be a balanced presentation and not result in major distortions.

Newsmen being what they are, I haven't the slightest doubt that if access to this house were granted to the media, the news which would get the most attention would not be the sober and dispassionate speeches which make up a very substantial part, albeit a dull part in terms of public interest, of the proceedings of this house. What would happen would be that the highlights of the question period would be presented. Is this in fact comparable to a written *Hansard*? It is an over-simplification to say that it is necessary because there are no other elements which are introduced. As Marshall McLuhan said, "The medium is the message".

There is so much that can be conveyed that it would be up to members to decide whether, over the long haul, what came out of the chosen excerpts would be representative of a fair presentation. Would it add to the totality of news available to the public?

• (5:10 p.m.)

Having said all these things which may appear to hon. members to be negative, let me say that my own conviction is that you cannot turn back the tide in this matter. Radio and television are here to stay, and it would be very wise for this house at the appropriate time to refer this matter to a committee, as has been suggested. But I think that when that is done we ought not to be under any illusions that there is any simple or short answer.

We should realize too, that certainly the control of the mechanism within this house ought to be under the direction of the Speaker, that is, that the media themselves should not be permitted to put their own cameras, microphones and the like into the chamber, and that the actual taping of what takes place in the Chamber should be done by staff of the House of Commons, staff of parliament under the control of the Speaker. That is a fairly simple thing to determine and one on which I think we could all agree.

The second matter is the one to which I referred just a few moments ago. Is it then simply a question of any representative of any medium coming in and saying, "I want

that particular segment. I want what the Minister of Defence Production said about this, and I don't want anything else." Is that going to be adequate and in fact satisfactory to us in terms of the fairness doctrine? This, I suggest, is the thing to which we ought to apply ourselves.

Let there be no doubt about it, Mr. Speaker, unless broadcasting our proceedings gets the respectability which *Hansard* now has, which is something we all accept because through trial and error we now know that this is a good and accurate report of our proceedings—we ought not to forget that this was not always the case, and that in the early days there were many arguments about the printed record of this chamber and of many other parliaments throughout the free world—then it will not be satisfactory.

I suggest to you, Mr. Speaker, and to other hon. members that this will be the real question to which we will have to apply ourselves. I do not doubt we can find solutions, but I think we would also have to bring the media people in to ask them for their ideas. But in the last analysis, if we can get past that hurdle of ensuring that we are not just simply providing partisan, if you like, or a very limited kind of partial coverage, we will overcome that kind of confused situation to which the Leader of the Opposition referred earlier this afternoon. But I do suggest and agree totally that the answer lies in appointing a committee, and there let us see if we could resolve some of these serious matters because television is not going to go away. I hope we can employ it in a manner which will achieve the results that we want for the people of Canada.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I have been very pleased to listen to the hon. members who have participated so far in the debate on this subject. I am sure anyone sitting in the galleries would come to the conclusion that we are going to put in television right away, and that nobody in the chamber is opposed to it. However, obviously there are still some objections to it, and some decisions will have to be made.

It is interesting to note that when the province of Ontario tried television for the first time this year in the provincial legislature it was a total disaster so far as that parliament was concerned. It was a total disaster for those who participated in it. Instead of the budget message being only a few minutes long, as has been usual, the provincial minister of finance had to engage in a long discourse on how to collect taxes, what they were for, the ultimate goal of taxation, and how the government would go about achieving it.

The viewers very quickly became bored. The extent of their interest was that which is satisfied by the newspapers with the information that cigarettes were going up two cents, tobacco up four cents a pound, whisky up seven cents, and income tax to be increased. Once the public received information on seven or eight points like that, their interest was satisfied.

As has been mentioned, experiments have been conducted with television in parliament. The first experiment was during the Queen's visit when some of the news media were allowed to enter the Senate chamber and televise the proceedings. Anyone who watched that operation must have been struck by the crudeness of it, by the total lack of decorum on the part of the people who were involved.

This, of course, is not displayed to the viewing audience. I remember the first time I went to a television studio in Timmins and saw the backdrops for two shows, papier-mâché settings. I was shocked because I thought that these were big programs. In my opinion, television in this place could be a disaster in an esthetic sense.

On the other hand, the televising of our proceedings could be conducted with a certain amount of decorum. I endorse the remarks of the previous speaker that Mr. Speaker should be in total control of the mechanism. That is a nice word to use, mechanism, meaning all kinds of machinery. I first learned it when studying French. The mechanism in parliament will have to be under the Speaker and he will have to hire the people who operate it. We will have to supply the film. The film used in this chamber may have to be a special type because we do not want to increase the lighting capacity here by more than double. For that reason, a specific type of film could be used for continuous filming in this chamber, without depending on the temporary type of lighting required to make normal film useful indoors.

I remember when we first talked about installing simultaneous translation in the chamber. When I first became a member of this house wires were stretched across the chamber with microphones dangling from them. One got used to them after a while, but I must say I am very pleased that the

Speakers of the day provided us with the type of equipment that we have for our simultaneous translation service.

I am sure many new members do not notice the facilities for our simultaneous translation. I remember when there were no rooms or booths at the end of the chamber, but now these have been fitted in to suit the décor of this place, and are taken for granted. We are not affected by them at all.

I was interested in the remarks of the Chairman of the Public Accounts Committee, who discussed how much broadcasting our proceedings would cost. Somebody must consider the cost, but it is my opinion that if we instal the best, up to date television equipment, all automatically remote controlled, and placed at four fixed locations in this chamber in surroundings that will fit in with the décor of the room, we will be able to carry out television operations without any visible disruption of our proceedings.

I have never seen people so ignorant as cameramen who have to get into the middle of a celebration to take pictures. I realize that they have to do this, but the way they do it leaves a great deal to be desired. Under no circumstances, even on a temporary basis should we allow the television outlets, whether it be C.T.V., C.B.C., or some other private agency, to come in and set up television facilities. If a committee can be established to consider this matter and it reaches the decision that television facilities be installed, then I suggest that these facilities must be under the control of the Speaker. He must control them. We must hire our own officials to operate our television programming. A room should be provided where they can screen the film, where they can cut it, and where the agencies can buy it from us, or we can give it to them. It really does not make much difference. In that room prints can be made, and the original film should remain under control of the House of Commons.

• (5:20 p.m.)

If we really think it out and make a decision to do this, then I suggest we must consider two other things that have been mentioned. I would like to see some television stations asked to carry a separate channel, possibly in conjunction with the C.B.C. in every area, but particularly in the more remote areas, which would carry full daily coverage of the happenings of parliament. I would think this would be an excellent method to make people aware of some of the things which happen here. I do not know what other members think of the question period, and I should like to know what the government thinks of it. I do not consider the question period to be representative of the workings of parliament. I do not consider the new media do a very good job in covering parliament because during the question period the press gallery will be jammed, and then as soon as the question period is over out they go. There are many other happenings in parliament which have a great effect on the lives of people and which have nothing to do with the question period. I would hope that it would not be the intention to televise only the question period. As one who does not ask too many questions during the question period I am sure that if I knew there would be an opportunity to appear on camera while asking a question I would ask one, even if it should be one given to me by a newspaper man. I am sure I would do this as I am sure would many others who, like myself, normally are not too interested in asking questions.

If we had the opportunity to grandstand, I believe we would grandstand. I believe we could do better than use the question period as a forum for television. I should like to thank the Speaker for finally having made a decision in respect of the wiring in the rotunda outside the chamber, so that now we are not so likely to trip on wires which are running along the floor into member's offices. Although I do not consider this to be the proper type of facility, in my opinion the public should not be deprived of it entirely. I believe there would be interest in having this in a controlled environment such as a room set aside where interviews could be conducted in a much more formal way, with better acoustics and better camera work than is now possible out in the rotunda.

My opinion is that if television is to be installed in this house it should be of a permanent nature and disguised in such a manner that it would not destroy the décor of the house. I am not so much of a conservative that that really bothers me, but I do not particularly want to know that I am being televised anymore than I am particularly interested in knowing that my words are being translated. I do not think about it anymore. It does not bother me, but I do not want to be inhibited by the fact that something I may say is violent enough, wild enough or crude enough that it would be covered on television, because it would certainly

have an effect on me as I am sure it would have an effect on other members.

I hope that Mr. Speaker would take control of the televising of the debates of the house, the same as he now has control over the *Journals, Hansard* and other facilities which affect this chamber. I hope that the type of media we provide for the public will help them regain their lost ability to participate. I believe it is desirable that the public be able to see what is going on in parliament on a continuous basis rather than be fed, as we are now through the news media, fragments and sections which do not seem to have any beginning or end. Mr. Speaker, I believe, would be the agency best able to protect our rights as individual members and also our rights as a parliament, as well as the right of the public to make a fair evaluation of what was said.

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, I do not know whether I am in a position to make any great contribution to this debate. The subject has been kicked around for some time. Many different views have been expressed. I believe it is a good idea to air this subject in this chamber today without any great amount of party discipline or any great amount of acrimony. It is a subject which at this point can be freely and openly debated. Some people have suggested it is not an important subject at this time. I disagree. I believe it is an important subject, indeed a very important one.

Television I suppose has become the most powerful single effective means of communication today. This is the parliament of Canada and a few hours spent in determining the relationship between parliament and television, in my opinion, should be a few hours well spent. At this point I believe I should say that with very few exceptions, I personally would be opposed to allowing a television camera or television cameras in this chamber. The exceptions to my mind should be confined to such events as the delivery of the budget speech and perhaps other noteworthy and newsworthy events.

Television has many possibilities in the field of education; but at the moment I regard it primarily as a source of entertainment, although up to a point it is also a source of information and education. I speak for myself, although I believe many hon. members feel the same way. We are not here as entertainers, and the majority of us did not come here as educators. Here again, I speak for myself. I certainly did not come here to make like an Ed Sullivan or end up as a national exhibit of some kind. I do not think this should be one of the prerequisites of becoming a member of parliament. Undoubtedly it will be if television eventually is allowed in the chamber. I think it would naturally follow that the greatest television performers in many cases would probably end up as members of parliament. I do not think television can necessarily be considered an honest media. As an example of what I mean I might refer to the occasion a few years ago when the late John F. Kennedy, who was campaigning for election, engaged in a great television debate with Mr. Nixon. I think it is conceded all over the world that it was not what the gentlemen had to say but their appearance on television which was the winning factor in the campaign. I do not think that should necessarily be the situation. I do not think the best material is necessarily selected in that manner.

I had a little parliamentary experience in a provincial legislature, and in the short time I have been here I have watched what I would refer to as the fragmentation of this parliament; it has been chopped up in little pieces. An example of this was seen the other morning when four very important committee meetings were scheduled for the same time, 9:30 in the morning. We all remember the house leader saying that we would have plenty of opportunity in committee to voice our opinions on matters. Where are the opportunities? And now the suggestion is that we televise this fragmentation, that we televise what is left of this parliament. I might have been a little more kindly disposed six months ago when this parliament was in fact a parliament and when the business of the country was conducted right here in this chamber. I could very well have been more kindly disposed then, but I am certainly not kindly disposed toward giving television coverage to the fragments that are left.

• (5:30 p.m.)

I would not for a moment recommend the closing of the galleries any more than I would recommend the closing of the galleries in our courts of law and Supreme Court. By the same token, I would not agree to allowing television into our Supreme Court. They are separate matters, and I do not think one has anything to do with the other.

The hon. member for Wellington (Mr. Hales) gave some pretty alarming estimates

of the cost of covering our procedures by television. Every time I have had occasion to approach the C.B.C.—and no doubt the C.B.C. would be the ones who would cover the proceedings if we had television in the chamber—and ask them to provide very basic coverage for part of my riding, the answer has been that they could not do it because their budget did not allow them to do so. In one instance a large area of my riding could not be supplied with the local news for the simple reason the C.B.C. could not provide the 30 cents a minute it would cost. It was not in the budget and the C.B.C. could not transmit this news to the Labrador part of my riding. Therefore, the very thought of spending hundreds and hundreds of thousands of dollars to televise the proceedings in this chamber is alarming to me, when so many parts of Canada do not have even the basic radio and television services. Under no circumstances could I agree to this proposal until such time as those areas lacking radio and television facilities have been serviced.

We must remember that we have 264 members in this house. They were sent here at very great expense to the Canadian taxpayer. *Hansard* is produced, again at very great expense to the taxpayer. We have newspapermen sitting up in the gallery—a bevy of them.

Mr. Knowles (Winnipeg North Centre): Do you call that a bevy?

Mr. Peddle: Let us not kid ourselves, they are here at the expense of the taxpayer because they work for newspapers. Newspapers are supported by advertisers, and advertisers are supported by their customers. So, eventually again, it is the taxpayer who pays. We have television and radio coverage of parliament at the present time. They broadcast newsworthy items, and so on, or what these gentlemen regard as newsworthy items. Even the private stations are supported at the expense of the taxpayer. In my humble opinion, before we give any further thought to increasing the burden on our taxpayers, television and radio coverage should be universal in this country.

I suppose it is only natural that politicians should be conscious of their image. I know some politicians who spend most of their waking hours devising means to get before the bright lights. There are others who cringe at the very thought of it. I think I come somewhere in between; I could live with it or without it. But I do not think it would do this parliament or the people of the country any good if our proceedings were televised. I emphasize, Mr. Speaker, that these are just initial reactions. I like the idea of a study in this field if it would not cost too much. My opinions are subject to revision and change. However, at the moment this is how I feel.

When I think about television, I always think in terms of sponsors. A few amusing things come to mind in this respect. In order to offset the cost of televising our proceedings, perhaps we could have sponsors who would sponsor different speakers on different days. For instance, the Minister of Transport (Mr. Hellyer), who is responsible for housing, might be sponsored by the Ottawa Valley Lumber Company which would give a special discount of 11 per cent this week on all building materials. This would offset the 11 per cent sales tax on building materials which the Minister of Finance (Mr. Benson) stubbornly refuses to remove.

The Minister of National Health and Welfare (Mr. Munro) might be sponsored by Belvedere cigarettes—"I smoke them because I like them". This is the type of thing we might encourage. The Prime Minister (Mr. Trudeau) might be sponsored by Flower Shops Incorporated—"Flowers around the corner or around the world". On alternate days perhaps he might be sponsored by Max Factor, the kiss-proof lipstick people.

Some hon. Members: Oh, oh.

Mr. Peddle: I do not want to make light of this matter, Mr. Chairman, but I cannot restrain myself. These are the sort of things that come to my mind. I think the suggestion at this point in time is rather ridiculous.

Mr. Allen B. Sulatycky (Rocky Mountain): Mr. Speaker, this is an important and purposeful debate. I have listened to all hon. members who have spoken and it seems to me that the consensus of the house is that television and radio should be allowed in the house, with certain restrictions. I particularly noted the fact that virtually every speaker who supported our eventually allowing television into the house insisted that certain restrictions be placed on it; that is, that the office of the Speaker or some other office would determine what would be allowed to be shown to the viewers of the country. In my opinion, televising the proceedings of the house would be of lasting and significant benefit to parliamentary democracy in Canada. Indeed, it might be the very life blood of parliamentary democracy in Canada.

There is throughout the country a growing dissatisfaction with parliament and politicians. I suppose we could generalize and say that the people of the country do not appreciate the work of parliament, they do not understand the work of parliament. I suppose that we as parliamentarians have failed in educating the people in this regard. I think it is high time parliament was called upon to assist in this educational process. The people of Canada want to feel involved in government at all levels. If we had television in the house I am sure they would have this vicarious involvement. In establishing this sense of involvement, television would contribute to the strength of parliamentary democracy in Canada.

I am concerned about this aspect of the question. Some hon. members do not wish television in the house, and those who do ask that there be some sort of censorship in regard to it. They were really suggesting a censorship, no matter what you wish to call it. I am of the opinion that we have in Canada a responsible press. Our television and radio media are responsible. We must not forget that we in this house have the ultimate power, if we allow these media into the chamber and they do not conduct themselves in a responsible manner, to refuse further privileges to television and radio in the house. It would be simple for us to do this.

The motion of the hon. member for Peace River (Mr. Baldwin) deals with allowing televison into the House of Commons and includes the televising and broadcasting of committee meetings. This is important, because in my opinion committee meetings are to a great extent stripped of the politics which take place in this chamber. I refer to the type of thing which leads to great cynicism on the part of the people of Canada with regard to parliament and politics in general Also, it happens that sometimes questions raised in committees are more serious than those which are raised in the House of Commons and members of parliament tend to be much less verbose than they are here. It is important that the cynicism toward parliament be not increased and, in my opinion, the best way to do that would be to allow television into the house, regardless of whether it is controlled by the office of the Speaker or uncontrolled except by the sense of responsibility of the media. It is important to convey to the people of Canada the type of work that is being performed in the house, the idea that democracy lives here in this chamber, and that through their members of parliament they are involved in the democratic process.

• (5:40 p.m.)

I am concerned about the possibility that there may be some grandstanders among us and the impression which this will create on television, but at the same time I am also sure that the radio and television people have a sufficient sense of responsibility to minimize this effect. I am sure that those people who have a tendency to become grandstanders here will not add to our debates as they are televised.

The Acting Speaker (Mr. Béchard): Order, please. It being 5.45 p.m. it is my duty to inform the house that pursuant to paragraph 10 of Standing Order 58 the proceedings on the motion are now considered to have expired.

The house will now proceed to the next order of business, which is the consideration of the motion to concur in interim supply.

INTERIM SUPPLY FOR PERIOD APRIL 1 TO JUNE 30, 1969

Hon. C. M. Drury (President of the Treasury Board) moved that this house concur in interim supply for the period, April 1 to June 30, 1969, as follows:

That a sum not exceeding $1,770,365,753.42 being the aggregate of—

(a) Three-twelfths of the total of all the items set forth in the estimates for the fiscal year ending 31st of March, 1970, laid before the House of Commons at the present session of Parliament EXCEPT Loans, Investments, and Advances Vote L10 for which no proportion is granted, $1,698,860,-957.25

(b) an additional eight-twelfths of the total amount of National Defence Item 20, Loans, Investments and Advances Items L50, L55, L80, L150, L155 and L160 (Schedule A) of the said estimates, $5,320,000.00

(c) an additional three-twelfths of the total amount of National Health and Welfare Item 55, Transport Items 15 and 25, Treasury Board Item 25 (Schedule B) of the said estimates, $34,782,500.00.

(d) an additional two-twelfths of the total amount of Energy, Mines and Resources Item 60, Public Works Item 25, (Schedule C) of the said Estimates, $937,166.67.

(e) an additional one-twelfth of the total amount of External Affairs Item 35, Indian Affairs and Northern Development Items 1, 25, and 34, Labour Item 5, Parliament Item 20, Supply and Services Item 15, Transport Items 30 and 65 (Schedule D) of the said Estimates, $30,465,129.50.

be granted to Her Majesty on account of the fiscal year ending the 31st of March 1970.

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

The Acting Speaker (Mr. Béchard): When shall the bill be read a second time?

Some hon. Members: By leave, now

Hon. C. M. Drury (President of the Treasury Board) moved the second reading of Bill C-185, an act for granting to Her Majesty certain sums of money for the public service for the financial year ending March 31, 1970.

Motion agreed to, bill read the second time and the house went into Committee thereon, Mr. Béchard in the chair.

The Deputy Chairman: Shall clause 2 carry?

On clause 2.

Mr. Drury: The appropriations requested in this bill are intended to provide for all necessary requirements of the public service up to June 30, 1969. In no instance is the total amount of any item being released by this bill. The form of the bill is the usual one for interim supply bills. The passage of this bill will not prejudice the rights and privileges of members to criticize any item in the estimates when it comes up for consideration in committee, and the usual undertaking is hereby given that such rights and privileges will be respected and will not be curtailed or restricted in any way as a result of the passing of this measure.

Clause agreed to.

Clauses 3 to 6 inclusive agreed to.

Schedules A, B, C and D agreed to.

Clause 1 agreed to.

Preamble agreed to.

Title agreed to.

Bill reported.

The Acting Speaker (Mr. Bechard): When shall the said bill be read the third time?

Some hon. Members: By leave, now.

Mr. Drury moved the bill be read the third time and passed.

Motion agreed to, bill read the third time and passed.

Mr. Macdonald (Rosedale): May I call it six o'clock, Mr. Speaker?

The Acting Speaker (Mr. Béchard): It being six o'clock, the house stands adjourned until tomorrow afternoon at 2 p.m.

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

HOUSE OF COMMONS

Thursday, March 27, 1969

The house met at 2 p.m.

PRIVILEGE

MR. ROBERTS—REFUSAL TO PAY TERMINAL GRATUITY WHEN LEAVING PUBLIC SERVICE —REFERENCE TO STANDING COMMITTEE

Mr. John Roberts (York-Simcoe): Mr. Speaker, I rise on a question of privilege. It relates to the refusal of the government, upon my election to the House of Commons, to pay to me the terminal gratuity provided as a normal practice to those leaving the public service.

I received a letter from the government informing me of the refusal yesterday afternoon. I am therefore raising the matter at the earliest opportunity. It is one which affects not only myself but also several other members of the house. The facts are, basically, these. Members of the public service are normally given a termination payment upon leaving the public service equivalent to their accumulated vacation leave. To the best of my knowledge my predecessors as executive or special assistants at the Department of Forestry and Rural Development all received this payment.

The technique for payment normally used is a device, or what I would call a fiction. The former public servant is kept on the books even though he may be working on a full time basis for another employer. The government contends that to provide me with the usual payment could lead to a challenge to my right to hold a seat in the house, under section 16 of the Senate and House of Commons Act. I dispute that such would be the effect of section 16 to which I have referred. The government, though it admits that as a matter of justice I am fully entitled to the payment, has therefore refused to make payment to me.

I should emphasize that since the payment is discretionary on the part of the government I have no redress through court action, and no forum other than the House of Commons in which to raise this question.

Bourinot's fourth edition states in a relevent citation that the questions of privilege have a wide range and that they—

—refer to all matters affecting the rights and immunities of the house collectively, or to the position and conduct of members in their representative character.

And they include:

—motions touching the seat or election of members.

I submit this is a matter touching upon the seat or election of a member, for if the payment were made it is conceivable that my right to hold my seat would be challenged, in which case such a challenge would be dealt with by the Committee on Privileges and Elections. Here we have a question—a mixed one of law and privilege it may be—in which the legal aspect is not foremost, for it cannot be determined until the question of privilege has been decided. Moreover, it is well accepted that on questions concerning the application of section 16 of the Senate and House of Commons Act, final authority as to the eligibility of members to sit rests with the House of Commons.

I contend that since this matter would be considered by the Committee on Privileges and Elections if the payment were made, the germane facts are not changed by the government's refusal to make payment. To assert otherwise would be to argue that the government can, in effect, pre-empt the judgment of the house by refusing to meet an obligation to which it admits I am entitled.

Bourinot goes on to say that for a member to be entitled to bring up a question of privilege he must show that it affects him since he became a member of the house and consequently in his character of a member. It is admitted that had I not been elected to the House of Commons I would have received the payment. It is clear that refusal to pay stems from the fact that I have become a member. This conforms to Bourinot's description.

• (2:10 p.m.)

The fact is that I have not received the customary termination payment for my government service. That is a fact. This payment is a normal condition, though not legally protected, which stems from government service

entirely prior to my election. There is therefore a divergence from the ordinary procedure, a divergence entirely attributable to my becoming a member of parliament. This divergence of treatment, therefore, constitutes a disability, indeed a penalization, placed upon a member of the House of Commons for becoming a member.

I suggest, with respect, that I have established a prima facie case of privilege, and I am prepared to make a motion.

Mr. Speaker: I wonder whether any hon. member would like to offer comments for the guidance of the Chair on the question of privilege that has been raised by the hon. member?

Some hon. Members: Pay!

Mr. Speaker: I do not think the remedy suggested by the hon. member for Winnipeg North Centre is within the power of the Chair.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I didn't say a word!

Mr. Speaker: I have listened very carefully to the hon. member for York-Simcoe who had given me advance notice of the question of privilege, thus affording the Chair an opportunity to study the matter. This, of course, is the intention and purpose of the standing order that provides for advance notice of questions of privilege.

At first blush I would incline to the view that it is the hon. member's rights as a former civil servant which are at issue. He has, perhaps, a grievance against the government in that capacity rather than in his capacity as a member of parliament. On the other hand, hon. members know that the house has always exercised great care in attempting to protect the rights and privileges of all its members. Since there is some doubt about the interpretation of the precedents in this situation, I would be inclined to resolve that doubt in favour of the hon. member.

Some hon. Members: Hear, hear.

Mr. Roberts: Thank you, Mr. Speaker. I therefore move, seconded by the hon. member for Esquimalt-Saanich (Mr. Anderson):

That the subject matter of my question of privilege be referred to the Standing Committee on Privileges and Elections.

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

Some hon. Members: Agreed.

Motion agreed to.

[Mr. Roberts.]

ROUTINE PROCEEDINGS

[*Translation*]

COMMITTEES OF THE HOUSE

Second report of Standing Committee on Miscellaneous Private Bills and Standing Orders, in French and English—Mr. Gérard Duquet (Quebec East).

[*English*]

Fourth report of Standing Committee on Labour, Manpower and Immigration—Mr. Caccia.

[*Editor's note: For text of above Reports see today's Votes and Proceedings.*]

TRANSPORT AND COMMUNICATIONS

DISCUSSION UPON THE CALLING OF THE ORDER FOR A MOTION TO CONCUR IN FIFTH REPORT—RULING BY MR. SPEAKER

Mr. Speaker: Motions. The hon. member for LaSalle (Mr. Lessard).

On March 25 when the notice of motion to which I have just referred standing in the name of the hon. member for LaSalle was called the President of the Privy Council (Mr. Macdonald) rose on a point of order. During the discussion of this point of order a number of hon. members took the position that the President of the Privy Council was not raising his point of order at the appropriate time in our proceedings. In particular the hon. member for Winnipeg North Centre (Mr. Knowles) drew the attention of the Chair to citation 318, subsection (3), of Beauchesne. That citation says:

A member will not be permitted in presenting a report to make any remarks on the subject-matter; he can only properly do so on a motion in reference to the report.

The hon. member said that if this limitation is placed on an hon. member who has the moving of the motion in his care, it applies as well to other hon. members.

The question I have to decide therefore is whether or not the point of order raised by the President of the Privy Council came too early in our proceedings; in other words, whether or not the motion should have been put first and then the question as to the regularity of the report brought into issue by the house leader.

It should be recalled that hon. members who took part in the discussion on the point of order, more particularly the hon. member

for Peace River (Mr. Baldwin), the hon. member for Edmonton West (Mr. Lambert) and the hon. member for Winnipeg North Centre (Mr. Knowles), dealt exclusively with the very limited point to which I have referred. Since, according to the submission, the minister's procedural objection could not be raised at that point they obviously did not consider it proper to argue the substance of the minister's arguments. For the moment I will therefore limit my comments to the objection raised by hon. members to the timing of the minister's objection.

In my opinion it was not improper for the President of the Privy Council to seek to question the form of the committee report at the stage he chose to select. In this regard I bring the attention of the house to citation 323 (1) of Beauchesne's fourth edition, where it is stated:

> A committee report may be ruled out of order though it has been received by the House, and a motion to concur therein cannot then be entertained.

It seems to me this citation is directly on point and justifies the minister's submission that the procedural points should be considered and should be determined before the motion is put.

This having been said I would suggest that hon. members interested in this extremely complex situation should be given an opportunity to express their views in relation to the substance of the points raised by the President of the Privy Council.

After giving much thought to the complex procedural aspects of the matter I am concerned mostly about three specific points. First, it must be determined whether the sub judice doctrine is applicable here. Hon. members may wish to consult citation 152 (2) of Beauchesne's fourth edition on this point. Second, I am concerned with the form of the committee recommendation. Normally these recommendations propose that parliament or the government take into consideration the advisability of introducing legislation for a specified purpose. One might well wonder whether the form of the present report does not constitute a direction rather than a mere recommendation. A further point is whether the report is within the terms of the committee order of reference.

Of course, there may be other points of procedure that hon. members may want to raise, either in support of or in opposition to the presentation of the motion at this time. Because of the importance and complexity of the matter I would think that hon. members would want an opportunity to give some thought to the procedural point I have raised and, at their convenience, submit arguments for consideration by the Chair. The hon. house leaders may want to consult one another or with the Chair in this regard. In view of the circumstances I suggest that the motion should stand.

INTERNATIONAL LABOUR ORGANIZATION

STATEMENT BY PRIME MINISTER MARKING FIFTIETH ANNIVERSARY

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is my privilege today to draw to the attention of the house the fact that one of the pioneer intergovernmental organizations, the International Labour Organization, is shortly to celebrate its fiftieth anniversary. The I.L.O. was one of the happier outcomes of world war I. It was established under the League of Nations as part of mankind's attempt to create a form of international order.

[*Translation*]

It is particularly appropriate that we in Canada should recognize this anniversary because of our longstanding association with I.L.O.

Canada has been a member since its outset and during world war II when the organization fled Europe before the Nazi invasion, the Canadian government invited the I.L.O. to come to this country. That invitation was accepted and the organization established its headquarters on the campus of McGill University.

In addition, several distinguished Canadians, some of whom are in the gallery this afternoon, have sat on I.L.O.'s board of directors.

• (2:20 p.m.)

[*English*]

A feature of the International Labour Organization which sets it apart from most bodies of its kind is the tripartite participation of governments, workers and employers. This organization, perhaps more accurately than any other, reflects the needs of that part of the international community which it serves. Partly as a result, the I.L.O. has to its credit an impressive list of accomplishments. It was the first international organization to regard social and economic rights as basic human rights. It was the first international organization to declare, to codify and to

implement protection for human rights. It has adopted 128 draft treaties, known as International Labour Conventions and has secured more than 3,000 ratifications of these conventions by member countries.

Nor, happily, is there any diminishing of I.L.O. activity. In recent years there has been a heavy involvement in operational programs of technical assistance to the developing countries. It has now launched a world employment program aimed at the formation of skills and the creation of jobs throughout the world.

[*Translation*]

The Canadian government, Mr. Speaker, is happy to join with the provincial governments, and the labour and employer organizations in celebrating this important anniversary.

Canada is about to issue a commemorative stamp to mark this anniversary of I.L.O. The Public Archives will soon hold an exhibition of documents relating to Canada's participation in I.L.O., and later this year a tripartite conference will be held in Ottawa.

[*English*]

We take pride in this organization which commands the support of Canadian workers and employers and extend to it our greetings on its anniversary and our best wishes for its continued leadership in its worldwide struggle for social justice.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, it is appropriate that the Prime Minister today should make a statement relating to the fiftieth anniversary of an international labour movement in which Canada, as a founding member, has played a significant part.

The statement was both adequate and appropriate, stressing Canada's continuing interest in and contribution to the International Labour Organization. We should bear in mind however, as I think the Prime Minister has, that we should deal with this International Labour Organization on this occasion as more than a set of international initials, another of those bodies to which Canada contributes from a sense of duty and in order to discharge international obligations. This organization is an outstanding and enduring result of a contribution arising from the Treaty of Versailles. This organization survived the demise of the League of Nations and became associated with the United Nations. This was the first organization to form such a relationship as that with UNESCO.

This organization is above all an organization dealing with people. The fact that the government is commemorating this event, as it intends to, indicates the involvement with I.L.O. which is felt in this country. This involvement is felt all over the world. The human rights conventions of the I.L.O. have brought new hope and courage to the people in Tanzania where the new apprenticeship program is being designed, and to people in many other countries.

Incidentally, Mr. Speaker, I commend the government for the effort that is being made in this anniversary year to secure ratification by Canada of some of the conventions relating to human rights and working conditions. It has been a tragic feature, a depressing feature of our I.L.O. experience that owing to our structure in Canada so many vital and essential I.L.O. conventions have not been ratified, removing therefrom the powerful support that ratification by Canada would have marshalled.

It is rather ironical that this relationship with the International Labour Organization should expose our inadequate constitutional development, when it is remembered that the birth of the I.L.O. was so intimately associated with the development of Canada as a sovereign state. Hon. members will recall that it was in connection with the Treaty of Versailles and the related conventions that the Prime Minister of the day, Sir Robert Borden, asserted the independent position of Canada, and Canada signed the agreement and became a member of this organization as an independent country and not simply as part of the British Empire.

This anniversary therefore reminds us of our international development over the 50 year period. It also reminds us of our own constitutional imperfections, and Canadians cannot be happy that, even though we were a founding participant of this organization, we have not been able to ratify as many of its conventions as we would like.

An aspect of the I.L.O. that gives considerable satisfaction and adds to its pre-eminence in the field of dealing with the needs of people is the close working relationship now being developed between the I.L.O. and the Canadian International Development Agency. This co-operation ought to be very fruitful, bringing to the foreign aid program of Canada the valuable world wide contacts of the I.L.O. organization at the level of working men and women in many nations.

Foreign aid, of course, has many aspects. It consists of a great deal more than handing out food, money or materials. It consists of more than making available technological experience. It consists also—and this is the emergent structure and most vital fact—of providing the organizational structure and mechanism for putting the technology to work. This is the heart of the whole foreign aid program and it is in this area that the I.L.O. will be particularly useful.

So, sir, I congratulate the Prime Minister (Mr. Trudeau) upon his comments today and upon the measures his government is taking to commemorate this anniversary in Canada.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I am very happy that it has fallen to me to say a few words on behalf of the New Democratic party on this important occasion. We welcome the initiative of the Prime Minister (Mr. Trudeau) in providing the opportunity for this country to pay tribute to the 50 years of service to mankind that have been rendered by the International Labour Organization. It is indeed one of the oldest intergovernmental organizations and it is a matter of pride for us in Canada that we have been associated with it from its beginning in 1919.

The Prime Minister referred to the fact that many distinguished Canadians have made contributions to the work of the I.L.O. and he drew attention to some of those who are in the gallery today. I would like to suggest names such as those of Tom Moore, Paddy Draper and Claude Jodoin, and I think also of the former colleagues of the Minister of Forestry and Rural Development (Mr. Marchand) who have gone over to Geneva from time to time in an associate capacity.

I might also mention the name of Kalmen Kaplansky who, for a number of years, was a member of the governing body and is now director of the Canada branch, which has its office here in Ottawa. We also have the honour of knowing that the head office at Geneva assigned to Mr. Kaplansky the task of co-ordinating internationally the celebration of this 50th anniversary.

• (2:30 p.m.)

Mr. Speaker, both the Prime Minister and the Leader of the Opposition have indicated some things that are unique about the I.L.O. Perhaps I might add in my own words that I think there are about three reasons for the success of this organization. In the first place, from the beginning it has been an organization concerned with people, and not in an ivory tower or academic sense but in terms of their conditions of work, which are the conditions under which they live the major part of their lives. In the second place, this organization has succeeded because it has been genuinely a tripartite organization representative of government, workers and employers, and comprised so that the independence of each from the other two has been clearly established and clearly maintained.

I can speak with some certainty on this point because in 1959, 1960 and 1961 I had the very great honour of being the workers' delegate for Canada at the annual conference held in Geneva. I learned there how useful it is to have this world body with these three groups, government, employers and workers, with equal voice, trying to work out solutions to the problems of the working people of the world. In the third place this organization has been successful because it has pioneered in the proclamation of principles of social and economic justice and has seen to it that those principles were implemented in as much of the world as possible.

I think it might also be said of the I.L.O. that it has shown a tremendous capacity for adapting to new conditions and to the needs of an ongoing world. In its earlier years it concentrated on the adopting of conventions and recommendations. This is still an important part of its work, but it realizes now that, if it is to improve in a substantial way the conditions under which people work and live, it must concentrate on training. Therefore the major work of the I.L.O. today is in the field of technical assistance. It has made great strides which have already helped to raise living standards the world around.

Therefore, Mr. Speaker, we welcome this opportunity to celebrate the 50th anniversary of the International Labour Organization. We are glad that things are being done such as those to which the Prime Minister referred, including the issuing of a commemorative postage stamp. We think there are at least two other things which might be done. We urge that we put real effort into getting more of the conventions and recommendations of the I.L.O. ratified, and if that means doing something to our constitution in Canada so that we can ratify these conventions in our federal state, I hope this will be done. The other course we urge is to increase our contribution to the I.L.O.'s technical assistance program and thus play a really active part in

helping do the job the I.L.O. is trying to carry on, namely to improve the conditions under which people the world around work and live.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I received this morning the text of the statement just made by the Prime Minister with regard to the 50th anniversary of the International Labour Organization.

The Prime Minister may not be aware—but I wish to point it out to him—that I received the English copy only. Someone forgot to send me the French copy. The document is addressed as follows:

M. Réal Caouette, M.P.

That is in French. Then the message:

The Prime Minister will make this statement in the house this afternoon. Ivan L. Head.

That is in English as is the whole text.

Mr. Speaker, it is not that I do not understand it; I know English.

However, as the Prime Minister often makes statements to the effect that both languages are truly official in Canada, the fact that I received a text in English from his office would certainly be reason enough to raise the question of privilege. I see the Prime Minister shaking his head to the effect that I am right in complaining about that.

If the statement had been received the way it was made in the house a moment ago, that is one paragraph in English, one in French, and so on, I would have had nothing to quarrel about. However, Mr. Speaker, the Prime Minister would have been forced to translate the French paragraphs for the benefit of the house.

Mr. Speaker—

An hon. Member: It is spontaneous translation.

Mr. Caouette: It is really spontaneous and not simultaneous translation.

Some hon. Members: Oh, oh.

Mr. Caouette: Mr. Speaker, the International Labour Organization, founded in 1919, brings together governments, employers and workers in a joint action aimed towards the advancement of social justice and the improvement of living and working conditions in every part of the world. This is an intergovernmental institution, but the principle of tripartite representation is respected in all its meetings.

[Mr. Knowles (Winnipeg North Centre).]

At the present time 117 countries are members of the I.L.O. This organization commemorates its 50th anniversary this year.

My colleagues and myself are very happy to join with the Prime Minister and the previous members who spoke about the 50th anniversary of the International Labour Organization whose aim is to serve the interests of workers the world over.

Today, the effect of the standardizing work of the I.L.O. is being felt in all parts of the world and its practical activity is world-wide.

Mr. Speaker, the aims of the International Labour Organization are praiseworthy since it is doing useful work for working people, as well as for governments and employers.

However, in spite of those praiseworthy goals, we still see a very high level of unemployment, at home in Canada and in most Western countries.

Therefore, after the 50th anniversary of the I.L.O., could not another organization be instituted to help the latter promote effectively the development of natural resources in Canada or elsewhere, so as to create jobs and to guarantee to man both the security and the freedom which we are attempting to protect through organizations such as the I.L.O.?

[*English*]

AIRPORTS

ANNOUNCEMENT LOCATING NEW MONTREAL INTERNATIONAL AIRPORT NEAR SAINT JÉRÔME

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, a new international airport is to be built north of Montreal.

An intensive review of the airport requirements of the Montreal region was begun in December 1966. Following that review the cabinet agreed in July 1968 that the present airport at Dorval could not be expanded economically to accommodate the forecast growth in air traffic and that a new international airport was therefore required.

Officials of the Department of Transport then met with officials of the Quebec government to review some 20 possible sites in the light of the technical criteria developed in preliminary studies. These discussions led to a substantial reduction in the number of acceptable sites. A task force was then created, drawn from the federal departments of Transport and Regional Economic Expansion, four Quebec government departments and the City of Montreal, to examine these sites from the point of view of their different economic

impacts. The aim was to assess the stimulus that would be given to regional development, taking into account Canadian, Quebec and regional priorities.

After a careful assessment of the technical, cost and developmental factors identified by these studies, the cabinet has concluded that the new Montreal International Airport will be built north of Montreal, near the City of Saint-Jérôme. This site, 26 miles north of the centre of Montreal and 17 miles from Dorval airport, will meet the changing patterns in air traffic and technology, including jumbo jets and supersonic aircraft, for the foreseeable future. It fits with regional development strategies and will provide the greatest benefits for the growth of the Montreal region and of the Quebec economy generally.

The location will provide for safe flight operations without interfering with activity at Dorval. It suffers from no restrictions because of natural or man-made obstacles. The runways can be oriented in the most favourable directions for the prevailing winds, without bad effects on adjoining urban areas. The incidence of fog and freezing rain are less than at other points in the Montreal region.

• (2:40 p.m.)

The site is well located to serve the majority of the users, who will largely be drawn from the centre, west and north of the Montreal metropolis. It is well integrated with existing and proposed ground transportation networks and it will be possible to provide easy access to Dorval Airport. This will facilitate cargo and passenger connections, and thus ensure continued optimum utilization of the present airport.

From the economic point of view, the northern site will maximize the essential close interaction between the Montreal area itself and the new International airport. Easy access to the scientific, cultural and other amenities of Montreal, and to the leisure centres of the Laurentians, will offer good inducements for the location of technologically advanced industries and their staffs. The site will thus foster the most desirable forms of development for Jesus Island and the corridor between the airport and Montreal. With planning, it will be possible to accelerate the spill-over of these developments along an east-west axis toward Trois Rivières and Quebec City. Accordingly the location of the airport will make an important contribution to the prosperity of both the Montreal region and Quebec as a whole.

Saint Jérôme Suggested Airport Site

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, in the statement we have just heard the Minister of Transport has not told us anything that we did not already know, but has merely confirmed a rumour that has been growing for some time.

As a matter of fact, I asked the Minister of Transport (Mr. Hellyer) yesterday whether he could give us the assurance that the new airport would be located in the Sainte-Thérèse area. Unfortunately, Your Honour decided that my question was out of order and the minister did not give me any answer. I suggest that if he refused to answer, it may have been because he wanted to make a statement today and to tell us himself something that we knew already.

Mr. Speaker, this lengthy statement reveals that it took the government three years to choose a site for the new airport. Indeed, the minister stated clearly that studies began in 1966, and we are now in 1969. Only three years later do we finally get to know the decision of the present government.

I am happy about the chosen site, but I deplore that all this shuffling has kept us waiting so long for a decision. However, it is becoming more and more typical of the present government and we hope, Mr. Speaker, that it will not take as long to get the construction of the airport under way as it did to come to a decision about the site.

I know that this decision will not please all the areas which sent delegates to make representations to the federal government, but I take this opportunity to congratulate the representatives of the municipalities of various areas who worked eagerly for the establishment of the airport in their own area. However, I think that a decision had to be taken and following the arguments stated by the minister concerning the security of flights, the weather, the land, the proximity of Dorval, all those factors make the decision quite acceptable.

I would also say that the Quebec government behaved wisely also when it accepted that choice, even if the airport is to be located in the constituency of the Minister of National Defence (Mr. Cadieux). I think there is nothing against it since that fact does not affect the value of the decision.

Mr. Speaker, let us hope that a decision will be made without delay about the early construction of that second airport and that Montreal will benefit shortly from the advantages involved.

Saint Jérôme Suggested Airport Site

[*English*]

I would also like to say a few words in English and ask the minister, now that he has settled one problem, to let the house know and clarify for us the negotiations he has undertaken, or will undertake, with the provincial authorities of Ontario or the municipalities concerning a second airport to be built in Toronto.

[*Translation*]

Mr. Speaker: Order. I should remind the hon. member that this is not yet the question period. Regulations allow him only to comment at this time on the statement that has been made.

The hon. member will have an opportunity later on to ask any questions that come to his mind now.

Mr. Valade: Mr. Speaker, I conclude by saying that the decision is quite acceptable and that we are happy that the government has finally made its mind up. It is the first decision taken so far by the Minister of Transport and we are happy about it.

[*English*]

Mr. Ed Schreyer (Selkirk): Mr. Speaker, the announcement made today by the Minister of Transport is a long awaited one. The reasons the minister gave for making this particular choice seem, on the surface at least, to be plausible enough. But I think it must be said that simply because we were not privy to many of the representations and arguments presented to the minister, we really have no way of knowing whether the reasons the minister put forward today are genuine and profound or are superficial. I think the minister must appreciate that this is the position in which we find ourselves.

[*Translation*]

For instance, Mr. Speaker, we would like to know whether the federal government has given enough consideration to the advice given and to the views of the province of Quebec, before a final decision was taken.

I have a similar question, and I ask if there was the same type of consultation with the Department of Regional Economic Expansion?

[*English*]

The minister has not taken the opportunity to give the house a full and detailed account as to why this particular site was chosen in preference to others. Anyone who has been following closely the stories in *La Presse* and other newspapers in Quebec can easily see that many alternative sites and locations were being put forward. I recall, for example, that about two months ago there was a lead story in Montreal *La Presse* to the effect that a decision could not be taken in February because the Minister of Industry, Trade and Commerce was out of the country. It was said that no decision could be taken relative to the location of the airport until the minister returned to this country. One can obviously see that the Minister of National Defence was not out of Canada in recent weeks.

Some hon. Members: Oh, oh.

Mr. Schreyer: It would be helpful and useful to the house and parliament generally if the minister would indicate precisely what was the relationship between himself, his department and the Transport Commission, for example, relative to all the negotiations and studies made with regard to the question of choosing this site. One should assume—I say "should assume"—that the Canadian Transport Commission was consulted very closely with regard to this question.

Now that the Minister of Transport has got rid of one problem that was facing him in recent months, now that he has made the choice, is he prepared to give equal effort and time to arriving at a decision relative to the International Airport in Winnipeg?

• (2:50 p.m.)

Mr. Knowles (Winnipeg North Centre): Hear, hear.

Mr. Speaker: Order, please.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, we know at last where the new international airport will be located: at St. Jérôme 26 miles from Montreal.

The minister stated that a task force made up of representatives of the federal Departments of Transport and Regional Economic Expansion, four Quebec departments and the city of Montreal, decided on the exact site where the new airport is to be built.

In his statement the minister said also that this will stimulate the economic development of that area.

Therefore, I wonder why the minister did not contemplate building the international airport at Rouyn, for instance, if he really wants to facilitate regional development.

For if we consider that the new airport will contribute to the economic development of

Montreal, instead of decentralizing, we centralize even more.

Mr. Speaker, my colleagues and I took a stand, several months ago, in favour of the construction of the new airport on the south shore of the St. Lawrence. As I had proposed Drummondville, I thought I could depend on the support of the Minister of Industry, Trade and Commerce (Mr. Pepin) since he had discussed the matter with the authorities there, and everything seemed to indicate that the authorities would take our proposal into consideration.

That does not mean, Mr. Speaker, that we are dissatisfied with the choice made by the people concerned, namely the provincial government and the Department of Transport. We rejoice about this happy event which will promote the economic development of the St. Jérôme area and the vicinity.

But I believe more attention could have been given to the possibility of selecting the area on the south shore of the river, for the Minister of Industry, Trade and Commerce would have been more satisfied.

In any case, Mr. Speaker, we know we are going to have an international airport in the St. Jérôme area, that will serve Montreal and the province of Quebec, as well as the Canadian people of other areas who will have to use it.

EXTERNAL AFFAIRS

EXCHANGE OF CORRESPONDENCE EXCHANGED BETWEEN QUEBEC AND FRANCE

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I would like to table two copies of the letters exchanged between Mr. Jean-Guy Cardinal, vice-president of the Quebec Council of Ministers, and Mr. Michel Debré, French Foreign Affairs Minister.

[*English*]

ORAL QUESTIONS

FINANCE

REPORT OF THE AUDITOR GENERAL—FAILURE TO PERMIT RECRUITMENT OF PROFESSIONAL STAFF

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Prime Minister which arises from the repeated statement, which has become almost an annual feature of the Auditor General's report, that the failure of the government to give the Auditor General freedom to recruit the professional staff he needs, in the same independent manner as other officers of parliament, imposes a severe handicap on his work. Will the Prime Minister assure the house that the government is not dragging its feet deliberately in order to limit the activities of the Auditor General and, if not, will the Prime Minister say when the house may expect a decision on this matter, which the Auditor General has raised in his report in successive years?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, my answer is yes to the first part of the question, and soon to the second.

Mr. Stanfield: We will get an answer eventually, Mr. Speaker.

In view of the fact that the Public Accounts Committee in 1966 recommended that the office of the Auditor General should be governed by a separate act of parliament, and in view of the statement by the Auditor General that he submitted a draft act to the government over two years ago, will the Prime Minister say whether the government is opposed to having a separate act of parliament for the office of the Auditor General, or whether it is preparing to submit such a measure to parliament?

Mr. Trudeau: Mr. Speaker, we have not considered the possibility of putting forward such an act imminently, in parliament. Our program is full, with other things, and I can only answer the Leader of the Opposition that I will consider this matter at a later date.

Mr. G. W. Baldwin (Peace River): I have a supplementary question, Mr. Speaker. In view of the fact that the Leader of the Opposition has raised this subject twice in debate during the current session of parliament, without ever receiving the courtesy of an acknowledgement from the government, will the Prime Minister arrange to give, or have one of his colleagues give, an early statement of policy concerning the attitude of the government toward the position of the Auditor General?

Mr. Trudeau: Many subjects have been raised in debate which the government either has not had time to consider or has felt it was inopportune to consider at this time. The house knows that we announced in the speech from the throne measures to be introduced in this session, and that we have a very full

parliamentary program. The house would not expect me to announce measures which will be included in the next speech from the throne. I can tell the house, however, that the general subject will be taken under advisement by the government.

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): I have a supplementary question, Mr. Speaker. Will the Prime Minister say whether it is the intention of the government to implement the recommendation of the Auditor General to set up an independent management study to root out causes for the continuance of wasteful and extravagant government spending?

Mr. Trudeau: We had such a study in the form of the Glassco Commission report a few years ago, and I must say that the government's record of implementing the overwhelming majority of the recommendations of the commission is very good.

Mr. Baldwin: The seven year itch.

INQUIRY OF THE MINISTRY

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is for the Prime Minister and it is supplementary to questions asked in the last few days regarding the United States A.B.M. program. In view of reports that the Governor General is to make a tour of the northern part of Canada to assert our sovereignty there, will the government consider shooting the Governor General into outer space so that we can assert our sovereignty out there as well?

Some hon. Members: Oh, oh.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I must correct part of the hon. member's question in the sense that the purpose of the visit of the Governor General is not to assert our sovereignty there. Our sovereignty in the northern part of Canada is very well established.

Some hon. Members: Hear, hear.

Mr. Trudeau: As to asking the Governor General to go into outer space, I am afraid he will only find members of the New Democratic party there.

Mr. Knowles (Winnipeg North Centre): That is right, Mr. Speaker, we are everywhere.

[Mr. Trudeau.]

[*Translation*]

NATIONAL DEFENCE

INQUIRY ABOUT U.S. MISSILE POLICY

Mr. Bernard Dumont (Frontenac): Mr. Speaker, recently the Secretary of State said that the missile policy, to which reference is made at the present time, was an escalation policy and a threat to peace. Does the Prime Minister share the view expressed in Paris by the Secretary of State?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, without being rude I would suggest to the hon. member that when he puts a question to a minister, he should say at the outset what minister he is addressing. I did not get the question and he simply mentioned my name at the end. I would therefore ask him to repeat it.

Mr. Dumont: I apologize to the Prime Minister. I had put a question to him but in view of the ovation he received, he probably did not hear it.

I am referring to the statement of the Secretary of State to the effect that the present missile policy of the Washington government is a threat to world peace; I was asking the Prime Minister whether he agreed with the statement of the Secretary of State?

Mr. Trudeau: Mr. Speaker, I am not aware that the Secretary of State made such a statement. He will be back in Ottawa today and I shall ask him what he said in this regard.

AIRPORTS

COMMENCEMENT OF WORK ON MONTREAL INTERNATIONAL AIRPORT

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to put a question to the Minister of Transport.

Further to the statement he made at the beginning of the sitting, I should like to ask him whether construction plans for the new airport are now under way and when the work is scheduled to start?

[*English*]

Hon. Paul Hellyer (Minister of Transport): Just as soon as possible. The usual critical path will obviously have to be followed, beginning today with the expropriation of the land, followed by soil testing, the designing of the runways and the terminal facilities,

and all the things which have to be done on a thorough and methodical basis with the least possible delay consistent with the best possible results in the use of the taxpayers' money.

[*Translation*]

REGIONAL DEVELOPMENT

POSSIBILITY OF PROJECTS IN CENTRAL QUEBEC

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to put a supplementary question to the Minister of Transport.

Now that the site of the future international airport is known, and that the citizens of the south shore are obviously somewhat disappointed, can he tell us whether money will be invested in or something done for that whole central area of Quebec, and more particularly the south shore, to help its economic development?

Mr. Speaker: I suggest to the hon. member that his question is of a very general nature and therefore may not be put at this time.

[*English*]

DOMINION-PROVINCIAL RELATIONS

SECRET DISCUSSIONS ABOUT FINANCIAL DIFFICULTIES OF ATLANTIC PROVINCES

Hon. Marcel Lambert (Edmonton West): My question is directed to the Prime Minister, Mr. Speaker. Has the Prime Minister held any secret talks with the premier of New Brunswick several times during the past few weeks, or even a few times, concerning the financial plight of the Atlantic provinces, as stated by the premier of New Brunswick within the last few days?

Right Hon. P. E. Trudeau (Prime Minister): I do not know whether I would describe them as secret talks. I have met with the premier of New Brunswick on matters of mutual concern—once in the last few weeks, I believe.

Mr. Lambert (Edmonton West): My supplementary question is for the Minister of Finance but in his deliberate absence this afternoon I will direct it to the Prime Minister. At the time of his discussions with the premier of New Brunswick and in the light of the budgetary situation of that province, was any suggestion made by the premier that a hurry-up or advance payment be made under one of the joint or shared cost programs to tide the province over?

Mr. Trudeau: Before and after the federal-provincial conference held in February, an important part of the agenda of which was devoted to the question of shared-cost programs and so on, there were discussions with the provinces about ways in which the federal spending power could be altered or improved or modified in some way. Naturally, by way of exploring these questions some such items did come up for consideration.

Mr. Lambert (Edmonton West): But did this one actually come up?

Mr. Thomas M. Bell (Saint John-Lancaster): In view of the statements being made in Fredericton about the matter of increased moneys from Ottawa, is the Prime Minister ready to make a statement filling us in on the discussions he had with Premier Robichaud about possible moneys for New Brunswick? Does the Prime Minister acknowledge that there were discussions between Premier Robichaud and himself and, if so, when will we be told what took place at those discussions?

INDUSTRY

INQUIRY AS TO CONCENTRATION OF OWNERSHIP AND CONTROL

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the Minister of Consumer and Corporate Affairs. Are officials of his department investigating and analysing the report just released by the Dominion Bureau of Statistics on the interlocking corporate structure in Canada, which showed a tremendous concentration of ownership and control of industry in Canada, with a view to introducing necessary legislation to regulate—

Mr. Speaker: Order. The question asked by the hon. member refers to a matter which is very general in scope and I would think it could not be asked at this time.

[*Translation*]

STUDENT UNREST

McGILL UNIVERSITY—ASSISTANCE IN THE EVENT OF DISTURBANCE

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I would like to direct a question to the Minister of Justice and Attorney General.

Can he tell us if the provincial authorities have already requested the R.C.M.P. to help keep things under control at tomorrow night's expected demonstration at McGill University?

Inquiries of the Ministry

[*English*]

Hon. John N. Turner (Minister of Justice): Yes, Mr. Speaker. The Deputy Attorney General of Canada received a telephone call from the Deputy Attorney General of Quebec asking him for the potential aid of the R.C.M.P. and the Canadian Armed Forces, in the event that violence at McGill University were to get out of the control of the provincial and municipal authorities. The situation is now being negotiated between the Department of the Attorney General of Quebec and the R.C.M.P., and the Canadian Armed Forces.

[*Translation*]

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

Does the minister intend to advise the R.C.M.P. to extend its help to the Quebec provincial police?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, this matter is strictly the R.C.M.P.'s concern and comes under the jurisdiction of my colleague, the Solicitor General of Canada, whereas the other matter is the responsibility of the Minister of National Defence.

Mr. Rondeau: Mr. Speaker, I would like to ask the minister a further supplementary question.

Since several other ministers are concerned, does he intend, in his capacity as Attorney General and Minister of Justice, to request the R.C.M.P. to second the Quebec provincial police tomorrow night at McGill University?

Mr. Turner (Ottawa-Carleton): We are always available, Mr. Speaker.

[*English*]

OIL

REQUEST FOR COMMITTEE STUDY OF CANADIAN POLICY

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I wish to direct a question to the Acting Minister of Energy, Mines and Resources with reference to petroleum. In view of the appointment by President Nixon of a task force headed by one of his ministers to conduct an extensive review of all United States oil import arrangements, will the minister say what special arrangements, if any, are being made for the consideration of Canadian policy and, specifically, will the government now act on the suggestion of the Leader of the Opposition that a standing committee of this house inquire publicly into the need for a new and expansive oil policy and call in representatives of the petroleum industry of Canada?

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): Mr. Speaker, I believe hon. members are well aware of the steps under way with regard to our oil policy as it affects the United States, and in particular that a meeting will take place on April 2 in this connection. We shall of course follow with great interest the development in the United States—the appointment of the committee referred to by the hon. member. I have noted the further representation by the hon. member concerning the possible use of a standing committee of this house, and I will take this under advisement.

Mr. Woolliams: The government always seems to talk about taking matters under advisement. Having regard to the minister's inert words and the innuendo contained in them, may I ask whether he believes in government by secrecy and inaction?

NATIONAL DEFENCE

NATO—VIEWS EXPRESSED BY HON. MEMBER FOR YORK-SIMCOE

Mr. W. B. Nesbitt (Oxford): I have a question for the Secretary of State for External Affairs, Mr. Speaker. Perhaps it should be directed to the Prime Minister. Do the much publicized and widely promoted views of the hon. member for York-Simcoe (Mr. Roberts) concerning Canada's attitude toward the North Atlantic Treaty Organization represent the views of the government with respect to Canada's relationship with that organization?

Mr. Speaker: The question is not in order. The hon. member cannot ask in this way for the opinion of the government about statements made by members other than members of the government.

Mr. Nesbitt: With great respect, I would ordinarily agree with Your Honour's ruling, but in this case so much advance publicity has been given to the hon. member's remarks at a time when the question of Canada's relationship to NATO—

Mr. Speaker: Order.

GRAIN

REQUEST FOR ASSURANCE OF CONTINUOUS MOVEMENT

Mr. J. H. Horner (Crowfoot): I should like to direct a question to the Minister of Industry, Trade and Commerce. Can the Minister assure the house and the country that every effort will be made to ensure a continuous flow of grain from the terminals to the ships? A couple of months ago there was a pile-up of ships at Vancouver, yet today there are no ships at all waiting at that port. Can we have some assurance that this whole question is being examined very closely?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I am afraid there will be a slowdown of ships coming into Vancouver for loading in the next couple of weeks.

Mr. Woolliams: That will help the government.

Mr. Pepin: I am afraid the Japanese and the Chinese importers have been listening to the opposition in this matter rather than to me. The tie-up that existed in the port of Vancouver a few weeks ago has been cleared more rapidly than the opposition expected it would.

Mr. Diefenbaker: After seven weeks.

Mr. Pepin: I understood the right hon. member for Prince Albert had said it would not be cleared till the end of May or June, but in any event it has been cleared now. The Wheat Board and the trade are doing their best to see that ships from Japan and China are made available for loading. There is no lack of sales on the west coast at this time.

Mr. McKinley: On a point of order, Mr. Speaker—

Mr. Horner: I have a supplementary question which I will direct—

Mr. Speaker: Order, please. The hon. member for Huron is rising on a point of order.

Mr. McKinley: I suggest that the port of Vancouver has been cleared of ships because of the action of the opposition.

Mr. Speaker: That is hardly a point of order. The hon. member for Crowfoot on a supplementary.

Mr. Horner: People all across Canada will be pleased to hear that there is no shortage of ships, but we are very discouraged that—

Mr. Speaker: Order, please. We should not have a debate at this time. If hon. members are allowed to ask questions and ministers to—

Mr. Horner: Mr. Speaker—

Mr. Speaker: Order, please. I will recognize the hon. member, but he knows perfectly well that only a few minutes are allocated to the house every day for the consideration of questions asked by hon. members.

Mr. Horner: Forgive me for adding one word of introduction to my question, Mr. Speaker, but in view of the minister's reply I could not help but do so. My question is this: There is no shortage of ships, the minister says, but is enough being done? There is a widespread belief that there will not be a boat into Vancouver until April 25—

Mr. Speaker: Order.

Mr. Horner: —one month from today. Surely with no shortage of ships, somebody—

Mr. Speaker: Order. This is obviously argument.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a supplementary question for the minister, or possibly for the Minister of Transport. In view of the very alarming and disastrous situation in northern Alberta and northern Saskatchewan in regard to damp grain and the inability to move this grain, with the possibility that by spring it will have deteriorated and be badly damaged, will the Minister or the Minister of Transport give special and very urgent consideration to discussing with the railways the provision of box cars in these areas?

Mr. Pepin: Mr. Speaker, this is being done. If the hon. member has some specific cases in mind I will gladly take note of them.

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. Since the minister is in such a fine mood for answering questions today, may I ask him what is the projection until April 25 of the expected number of ships that will arrive in Vancouver to move wheat? He must have that before him at this very moment.

Mr. Pepin: I do not have the precise number but I will try to get it, if possible, for the right hon. gentleman.

Mr. Diefenbaker: Did the minister not receive that information yesterday?

Mr. Speaker: Order. The hon. member for Regina East on a supplementary.

Mr. John Burton (Regina East): In view of reports from the terminals in Vancouver that no ships are coming in, and since there are some 4,000 box cars on their way to Vancouver, have steps been taken to redirect the flow of grain traffic to those places where it is needed?

Mr. Pepin: Such as where?

Mr. Burton: The Lakehead.

Mr. Speaker: Order. The hon. member for Assiniboia.

Mr. S. J. Korchinski (Mackenzie): A supplementary question, Mr. Speaker, to the Minister of Industry, Trade and Commerce. In view of the fact that empty ships have been leaving Vancouver, what steps has the department taken in order to keep shippers informed as to the progress being made in filling the terminal facilities so that the ships will return?

Mr. Pepin: Mr. Speaker, to my knowledge—and I think I am well informed on this subject—only two ships left unloaded at the time of the tie-up and they were supposed to come back later. I have information from the Wheat Board that they and the grain trade are making all necessary efforts to bring the ships back to Vancouver to be filled with grain for delivery to western clients.

Mr. Korchinski: A further supplementary question. Is it a fact that grain dryers will not be operating at the Vancouver terminals because of congestion?

Mr. Speaker: Order. The hon. member cannot ask the minister to confirm or deny a matter. He is making an allegation.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I should like to ask the Minister of Industry, Trade and Commerce whether he has ordered an investigation into allegations made in the past two months that line elevator companies and one of the pool elevators have been ignoring Canadian Wheat Board orders with impunity?

[Mr. Diefenbaker.]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): As I am in the habit of saying to the right hon. member for Prince Albert, that is a debatable point.

Mr. Diefenbaker: Now that the minister has had an opportunity of reading the memorandum, will he give the information asked for?

Mr. Pepin: Mr. Speaker, I can guarantee there is no information here about the number of ships expected.

Mr. Speaker: Order.

Mr. Schreyer: A point of order, Mr. Speaker. I do not know whether the Minister of Industry, Trade and Commerce was replying to my question or to the question of the right hon. member for Prince Albert.

Mr. Pepin: Both, in succession.

Mr. Paul Yewchuk (Athabasca): A supplementary question to the Minister of Industry, Trade and Commerce. Is the minister going on record officially as blaming the opposition for the inefficiency and bungling that has surrounded the handling of the wheat crop?

Mr. Speaker: Order. I wonder whether hon. members feel we should go on to another subject now?

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a supplementary question regarding the whole problem of moving wheat and I direct it to the Minister of Industry, Trade and Commerce. In light of the negative statement made by the Prime Minister yesterday afternoon to the Agricultural Congress relative to the sale of Canadian wheat, will the minister and his department take a far more positive approach to the whole question of surplus wheat?

Mr. Speaker: The hon. member for Swift Current-Maple Creek. I suggest to hon. members that we pass on to another subject after this supplementary.

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, my supplementary is to the same minister. I should like to ask whether he or the government are making provision, in view of what happened in Vancouver regarding ships and surplus grain, to ensure that the same situation does not develop at the Lakehead where the elevators are now half empty?

Mr. Pepin: I will do my best, Mr. Speaker, but that is not the case now.

Mr. Horner: Your best is not good enough.

WHEAT—INQUIRY AS TO FLOOR PRICE

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. Now that the Congress on Agriculture has concluded, how soon may we expect a government decision to implement a $1.95½ floor price for wheat?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I have avoided answering this question because I thought it better first to assess what the damage is, and no one yet knows what it will be.

FISHERIES

CANADA-U.S. DISCUSSIONS ON 12-MILE ZONE

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, my question is for the Secretary of State for External Affairs. I should like to know whether, in the wide-ranging discussions which took place in Washington earlier this week, the Secretary of State for External Affairs informed his United States opposite number of the date on which the Canadian government will be giving the United States charts that clearly show Canada's exclusive 12-mile shipping zone on the west coast?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I did not undertake to do this with the Secretary of State, but I did tell him that this was a matter that I felt would shortly engage the attention of our two countries.

Mr. Anderson: A supplementary question. I should like to know whether this will result in a meeting very soon of officials of the Canadian and United States governments on this question?

Mr. Sharp: This matter is shortly to be discussed in cabinet when a decision will be made on that very point.

Mr. James A. McGrath (St. John's East): A supplementary question. Can the minister tell the house whether similar discussions are now taking place with the government of France regarding our 12-mile territorial limit off the Atlantic coast?

Mr. Sharp: I have not recently had any such discussions but there have been discussions over quite some time with France on the whole subject of territorial waters, the position of St. Pierre and Miquelon, and so on.

[*Translation*]

LABOUR RELATIONS

MONTREAL—DISPUTE BETWEEN SHIPOWNERS AND LONGSHOREMEN

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I wish to direct a question to the Minister of Labour.

In view of the problems which the minister had to tackle recently in relation to the Montreal Longshoremen's Union, can he tell the house whether the dispute has been solved or is about to be solved?

[*English*]

Hon. Bryce S. Mackasey (Minister of Labour): Mr. Speaker, the conciliation board charged with the problem of the port of Montreal has been meeting daily, and progress is being made. We can only hope that by March 31 or April 7 a collective agreement will have been reached. Of course it is really a matter of opinion when one says that progress is being made.

INDUSTRY

DEVCO—PLANS FOR NO. 20 COLLIERY

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the Minister of Forestry and Rural Development. Because of continuing concern about this matter, is the minister in a position to make a statement on Devco's plans for No. 20 colliery in the area concerned?

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, not at this moment.

Mr. MacInnis: A supplementary question, Mr. Speaker. Because of the serious concern in the community involved, would the minister undertake to make a statement on the matter as soon as possible?

Mr. Marchand (Langelier): As soon as we have studied the plan and agree on it I will make an announcement about it.

Mr. MacInnis: A further supplementary question, Mr. Speaker. It is one thing for the minister to study a plan. Does he not know that Devco has certain plans and certain intentions with respect to No. 20 colliery? It is simply a question of ascertaining Devco's intentions in the community and letting us know about them.

Inquiries of the Ministry

[*Translation*]

AIRPORTS

MONTREAL INTERNATIONAL AIRPORT—AGREEMENT WITH QUEBEC GOVERNMENT

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to direct a question to the Minister of Transport.

In view of the excellent decision taken by the government about the site of the new airport and since this choice seems to me to respect the interests of Quebec, could the minister tell us if it was immediately accepted by that province? I dare hope so?

[*English*]

SHIPBUILDING

TERMS OF REFERENCE OF COMMITTEE OF INQUIRY

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. Since he seems to be an authority on shipping today, may I ask him if a committee consisting of representatives of the shipbuilding industry and members of the government has been set up to look into shipbuilding in Canada?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, after a visit by a group from the industry we were supposed to get a committee going. Two attempts were made to bring the other side along with us in forming this committee. This has been done now.

Mr. MacEwan: A supplementary question, Mr. Speaker. Have the terms of reference of that committee been agreed on?

Mr. Pepin: Mr. Speaker, it should be a rapid study if it is to advise on what might be done at this time.

HOUSING

TASK FORCE—REQUEST FOR ANNOUNCEMENT OF POLICY

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Minister of Transport. Since early February the minister has been announcing that he will be placing recommendations emanating from the task force on housing before his cabinet colleagues and has repeatedly said that there will be an announcement of government policy in this field soon. Will he tell the house how soon is soon? Will we have an announcement before the Easter recess?

[Mr. MacInnis.]

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, that question has already been asked and answered in the house. My hon. friend will have to show some patience. As he knows was the case with the Montreal international airport, Rome was not built in one day. It takes time to work out the details. As soon as a decision has been taken an announcement will be made.

CANADIAN SOVEREIGNTY

STATUS OF ARCTIC ISLANDS

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct a question to the Prime Minister arising from an answer he gave some time ago to the right hon. member for Prince Albert and from another answer he gave today to the hon. member for Winnipeg North Centre. I think the matter ought to be cleared up. The Prime Minister told the hon. member for Winnipeg North Centre that there was no question about Canada's sovereignty in the north. May I ask whether that includes all the northern Arctic islands? Also, was the Prime Minister considering inland seas and 12-mile limits when he made his statement?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the answer I gave a few weeks ago, which I repeat today, is that our sovereignty over all Arctic islands is not challenged in any way. I do not think the question of sovereignty has been disputed. I said before that the question of the status of the seas was not established in a way which entailed the recognition of the international community. This matter still has to be dealt with and will be the object of a policy statement by the government.

Mr. Benjamin: A supplementary question, Mr. Speaker. Did the Prime Minister impart this opinion to the President of the United States recently, or did he discuss these points when he saw him earlier this week?

Mr. Trudeau: Mr. Speaker, I communicated to the President the fact that the question of territorial seas and especially of fishing rights was of grave concern to us and we hoped to take a position on it soon which will be respected by all the international community.

CONSUMER AFFAIRS

LUMBER—ACTION TO CONTROL INCREASE IN PRICES

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, my question is for the Minister of

Consumer and Corporate Affairs. Would he indicate whether he has yet had the opportunity to take any action in the light of the continuing upward spiral in lumber prices?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the government shares the hon. member's concern. Partly as a result of the very forceful and independent representations the hon. member has made—

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): The hon. member surely cannot be bought off like that.

Mr. Basford: —officers of my department, the Department of Forestry and the Department of Industry, Trade and Commerce met, together with the ministers responsible for those departments, and contemplated action that might be taken. I think that my colleague, the Minister of Industry, Trade and Commerce, who has been so communicative today, will have something to say in a day or two.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I have a supplementary question to direct to the Minister of Transport. It is on a theme similar to the one covered by the previous question. Will he advise the house whether he has ordered an inquiry into lumber prices and their effect on housing costs? Have he or his officials told the Canadian Lumbermen's Association that such action has been taken?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I noted that this matter was referred to yesterday. It must be connected with some remarks I made in Toronto on Thursday last. As my colleague indicated, officials of four departments have met on this matter. More recently, the officials consulted with the ministers. Among ourselves we have decided on a plan of action based on such inquiries as have been made. As has just been indicated I hope that one of us, probably the Minister of Industry, Trade and Commerce, will be in a position to make a statement very shortly.

EXTERNAL AFFAIRS

OPENING OF ADDITIONAL PASSPORT OFFICES

Mr. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Secretary of State for External Affairs which he may want to take as notice. When will additional passport offices be opened in Canadian cities? I ask that question because of the severe strain imposed on a most competent and efficient branch of our public service which is now overwhelmed with passport applications.

Mr. Speaker: It seems to me that this is the type of question which lends itself to debate at the time of adjournment.

DELIVERY OF PASSPORTS BY REGISTERED MAIL

Mr. Lee Grills (Hastings): Mr. Speaker, my question is for the Secretary of State for External Affairs. Will he say whether it is the policy of his department not to guarantee delivery of passports within four days by registered mail?

Mr. Speaker: Order, please. The hon. member is asking the minister to give information on policy or to make a policy statement. I do not think the question can be accepted in its present form.

HEALTH AND WELFARE

MEDICARE—DISCUSSIONS WITH CANADIAN MEDICAL ASSOCIATION

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, my question is for the Prime Minister. In view of the widespread concern of the medical profession about the future of our health services, will the Prime Minister say whether he has now changed his mind about meeting the Canadian Medical Association? Will he accede to the renewed request for a meeting made by the association's president?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have nothing to add to the answer I gave a few days ago.

GRAIN

REFUSAL OF ELEVATOR COMPANIES TO ACCEPT DAMP WHEAT

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. Will he check on the reported intention of line elevator companies not to take any damp wheat after April 1? Much damp wheat still remains to be handled.

Mr. Speaker: Order, please. The hon. member has made a representation to the minister.

Inquiries of the Ministry

EXTERNAL AFFAIRS

REPRESENTATIONS OF HIGH COMMISSIONER TO NIGERIAN GOVERNMENT

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is for the Secretary of State for External Affairs. Since our High Commissioner in Nigeria was asked almost two weeks ago to make representations to the federal government of Nigeria, will the minister tell the house whether those representations have been made to that government?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, some of the representations have been made, but the High Commissioner has not yet completed his mission. I should like to wait until it is completed before making a report.

Mr. Nystrom: A supplementary question, Mr. Speaker. When were such representations made and when may we expect a report to the house?

Mr. Sharp: As the Minister of Transport so often says, soon.

OIL

MOVEMENT FROM PRUDHOE BAY THROUGH CANADIAN CARRIERS

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I should like to direct this question to the Minister of Industry, Trade and Commerce. This seems to be his day in the house. In view of the government's interest in Panarctic Oils Limited, has the government made any representations to United States interests with a view to establishing a joint consortium to transport oil from Prudhoe Bay through Canadian carriers in the Yukon and British Columbia?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): This would come under the jurisdiction of either the Minister of Energy, Mines and Resources or the Minister of Indian Affairs and Northern Development?

[*Later:*]

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I direct this question to the Acting Minister of Energy, Mines and Resources. In view of the government's interest in Panarctic Oils Limited, has the government made any representations to United States interests with a view to establishing a joint consortium to transfer oil from Prudhoe Bay through Canadian carriers in the Yukon and British Columbia?

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): Mr. Speaker, because of our interest in Arctic oil and oil generally, the government has had discussions with interested persons, including companies involved in various discoveries, as to the best means of transferring the oil already found and the oil expected to be found as well.

Mr. Paproski: Has the government had any conversations or discussions on this subject or any aspect of the Prudhoe Bay development with United States interests? If not, why not?

Mr. Lang: The answer is yes.

[*Translation*]

Mr. Henry Latulippe (Compton): I wished to put my question to the Prime Minister but since he is absent, I will wait until tomorrow.

[*English*]

TRANSPORT AND COMMUNICATIONS

REQUEST FOR DEBATE ON COMMITTEE REPORT

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to direct a question to the President of the Privy Council. It concerns Your Honour's ruling today on the point of order raised by the President of the Privy Council in the house a couple of days ago. In the light of Your Honour's ruling, I ask the President of the Privy Council to give this house an assurance in view of the time limitation in the recommendations of the fifth report of the Standing Committee on Transport and Communications. I am referring specifically to the April 15 date. In view of the fact the house will adjourn in a day or two for the Easter recess, will the minister give an assurance that he will bring this matter forward at the earliest possible moment for debate?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, this matter involves a question of order as to the acceptability of the report. I intend to follow Your Honour's advice to consult with the Chair as to an appropriate time in the near future to raise this question.

CANADIAN NATIONAL RAILWAYS

NEWFOUNDLAND—APPROVAL OF RESOLUTION TO DEFER ABANDONMENT

Mr. Walter C. Carter (St. John's West): Mr. Speaker, this question is directed to the Minister of Transport but as he has left the chamber I will direct it to the President of the Privy Council. Is he aware of the fact that the Newfoundland legislature has unanimously approved a resolution to defer the abandonment of C.N.R. passenger service in Newfoundland?

[*Translation*]

CANADIAN BROADCASTING CORPORATION

REPORT OF URANIUM DISCOVERY IN QUEBEC

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I wanted to direct a question to the Secretary of State but since he is absent, I will put it to his parliamentary secretary to whom I gave notice of it.

[*English*]

Would the Parliamentary Secretary obtain a report and make it available to the house with respect to the activities of the C.B.C. resulting in its report of uranium discoveries in Québec?

Mr. Robert Stanbury (Parliamentary Secretary to Secretary of State): Mr. Speaker, I have made inquiries about the report to which I believe the hon. member has referred. I am informed by the C.B.C. that they believe their employees exercised proper journalistic judgment in presenting this report on March 21. Consideration was given to the ample opportunity there would be for comment or clarification of the matter by the parties concerned between the time the report was broadcast and the re-opening of the stock market. In fact, a statement made on behalf of the companies was carried on the C.B.C.'s early evening national newscast on March 23. I am informed by the C.B.C. that the company did not contradict the report but only the tonnage figure used in the report.

BUSINESS OF THE HOUSE

WEEKLY STATEMENT—MARITIME FREIGHT RATES ACT—ATTENDANCE OF MINISTERS

Mr. G. W. Baldwin (Peace River): May I ask the government house leader about the business for this week and that part of next week that we will still be here? Could the minister when replying confirm the date members will be free to depart for the Easter recess in order that they may dialogue earnestly with their constituents on the large mass of still unsolved problems?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, before making that statement perhaps I could give the second report of the inter-party committee on parliamentary hockey. I wish to confirm that the House of Commons once again triumphed in eking out a defensive victory over the press gallery by a score of four to four. In view of the fact we only got a tie, no stars are being awarded.

With regard to the business for the coming week, as hon. members know the first item of business today will be No. 36, Bill S-15, to amend the Food and Drugs Act. This will be followed by item 13, the report stage of Bill C-102, with regard to drug prices. It is anticipated that tomorrow the drug prices bill will be called again to be followed by Bill S-26 with regard to hazardous products.

On Monday next the first item of business will be No. 23, Bill S-5 with regard to the Canadian Overseas Telecommunications Corporation Act for report stage and third reading. This will be followed by No. 53, Bill S-28 with regard to the Co-operative Credit Associations Act. Following that will be No. 55, Bill C-171 with respect to the National Library.

On Tuesday and Wednesday of next week it is proposed to call item 7, Bill C-112 with regard to the Farm Machinery Syndicates Act. This will be followed by items 18, 19 and 43 with regard to agricultural Bills C-154, C-155 and C-157.

With respect to the question by my hon. friend, it is the government's intention that the house will sit until April 2. If, however, it is possible to deal effectively with this timetable before that date, it might be possible for it to rise sooner.

Mr. W. B. Nesbitt (Oxford): I rise on a question of privilege, Mr. Speaker. I noticed that in the house leader's observations concerning the business there was no reference to Bill C-182, to amend the Maritime Freight Rates Act. I rise on this question of privilege for the reason that an undertaking was made to the house privately and publicly. There was an agreement to deal with this matter because the freeze on maritime freight rates expired on March 23. There is great concern,

worry and misunderstanding in the Atlantic provinces. If the government makes no effort to deal with this matter before the house rises, it can only be taken as a further indication of the attitude of the government toward the people of the Atlantic provinces.

Mr. Macdonald (Rosedale): If I may deal with that particular point, Mr. Speaker, I understand from my colleague the Minister of Transport, who was here earlier today, that the principal consideration is whether there will be a change in rail rates during the period until the bill is brought into law and that the railways have undertaken not to bring about any change. My understanding is that various groups have sought to make representations in this regard. It was thought desirable to hear those representations before the bill was called forward for further action.

Mr. Speaker: Perhaps I should refer to the question of privilege by the hon. member for Oxford. I would think it was not a question of privilege. It seems to me that, a statement having been made by the President of the Privy Council, the hon. member had a very legitimate question. I suggest to him it was not necessary to raise it as a question of privilege.

Mr. Donald MacInnis (Cape Breton-East Richmond): I wish to ask a question before oral questions are completed. I raise it as a question of privilege or a point of order. The Prime Minister, the Minister of Forestry and Rural Development and nine or ten other ministers are violating the Prime Minister's roster system. It is impossible for me to get answers to questions regarding the very serious economic problems in Cape Breton. The house leader rises and talks about awarding stars for hockey games. I remind the house leader there can be no stars awarded for the attendance of ministers in the house.

• (3:40 p.m.)

Mr. Groos: They had been in the house for an hour and 35 minutes when they left.

Mr. Speaker: Order, please. The hon. member has made his point and I wonder whether we could not go on to the business of the house now.

Mr. MacInnis: Mr. Speaker, with your indulgence I would like to deal with the interjection of the hon. member for Victoria—

Mr. Speaker: Order, please. I really do not think the hon. member should deal with the interjection. I suggest to the hon. member who made the interjection that the hon. member for Cape Breton-East Richmond had the floor, and his were the only remarks that the Chair heard.

[Mr. Nesbitt.]

Mr. MacInnis: Just for clarification, Mr. Speaker, it was the hon. member for Victoria who made the interjection.

GOVERNMENT ORDERS

FOOD AND DRUGS ACT—NARCOTIC CONTROL ACT—CRIMINAL CODE

AMENDMENTS RESPECTING CONTRACEPTIVE DEVICES, RESTRICTED DRUGS, ETC.

Hon. John C. Munro (Minister of National Health and Welfare) moved that Bill S-15, to amend the Food and Drugs Act and the Narcotic Control Act and to make a consequential amendment to the Criminal Code, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

He said: Mr. Speaker, in moving the second reading of Bill S-15 I would like to give a short explanation of its background. Bill S-15 is a consolidation of two bills which were introduced in the last parliament and not completed at the time of dissolution. One of them, Bill S-21 in that parliament, was designed to create a new category of drugs within the Food and Drugs Act known as restricted drugs. The other, the former Bill S-22, was an omnibus bill whose major component was the creation of a hazardous substances act. This portion of that bill was subsequently shifted to the Department of Consumer and Corporate Affairs where it formed the basis of the hazardous products bill now before parliament. The balance of the former Bill S-22 was combined with the former Bill S-21 to become the present Bill S-15.

This bill adds a new Part IV to the Food and Drugs Act, called restricted drugs. It also makes certain amendments to the Food and Drugs Act and the Narcotic Control Act which are designed to bring into uniformity certain provisions already in those measures.

This bill further amends the Food and Drugs Act in accordance with the very important recommendation of the Standing Committee on Health and Welfare of the previous parliament by adding provisions that will bring within that act the regulation of the sale and advertising of contraceptive

devices. At the same time it amends the Criminal Code by removing from it the long-standing prohibition of such sale or advertising. Having set out something of the history and scope of this ominibus measure I would now like to deal with its specific provisions.

The Criminal Code of Canada has for many years contained a prohibition on the sale or advertisement of any drug or article intended or represented as a method of preventing conception. This prohibition, which is contained in section 150(2) (c) of the Code, has seldom been the subject of prosecution. Moreover, in recent years it has been strongly criticized by many individuals and organizations as being in conflict with contemporary thinking in the field of family planning and thus socially deleterious.

In 1966 no less than four private members' bills were introduced in this connection, and the Standing Committee on Health and Welfare took under consideration the subject matter of those bills. The committee held, in all, some 15 meetings and in the course of its proceedings heard statements and recorded expert evidence from a great many organizations and individuals. These included representatives of church organizations, the medical profession, family planning agencies, the Canadian Welfare Council, the Consumers' Association of Canada and a lengthy and diverse list of others.

Under date of December 5, 1966, the committee presented its report to the house, recommending that the matter of birth control be removed from the Criminal Code and that the subject of distribution and advertising of contraceptives be dealt with under the Food and Drugs Act.

The standing committee also recommended that the Food and Drugs Act be amended in order to make clear that the definition of "device" includes contraceptive devices. Accordingly the present bill specifically defines a contraceptive device and at the same time broadens the definition of "device" in the Food and Drugs Act to include matters which, from a practical point of view, would be regarded as therapeutic devices but which, it might be argued, do not fall within the precise language of the present definition. The purpose of the amendment, therefore, is to put this situation beyond question. Accordingly, the Food and Drugs Act will include contraceptive devices, and authority is given to provide, within the regulations, for the advertising of such devices.

The type of advertising which will be the subject of regulation will be direct advertising by manufacturers and retailers of contraceptive devices. The regulations will be designed to permit advertising by agencies concerned with birth control and family planning.

We are very anxious to free these organizations from the fetters under which they have been obliged to function in the past, when their activities might well have constituted a breach of the Criminal Code and their actions were severely circumscribed by this possibility. Information regarding family planning has had far easier entry into the milieu of the well educated and the well to do than into that of those unreached by the information explosion. The result is evidenced in such statistics as the average number of children in a public assistance family in Canada being almost double that of the Canadian average. When the dissemination of information is impeded it is the least educated and least articulate members of our society that it is least likely to reach.

Therefore the first group of amendments flows from the recommendations of the Standing Committee on Health and Welfare. They comprise clauses 1, 2 and 3 of this bill amending the Food and Drugs Act, and clause 13 amending the Criminal Code. The next few clauses deal with what may be regarded as technical or administrative amendments, and I will cover briefly what is involved in these.

In the administration of the Food and Drugs Act and the Narcotic Control Act certificates of analysis have traditionally been employed. There has, however, been some variation in the language used in the respective sections of the legislation making provision for these certificates. It was therefore thought appropriate that some uniformity be established in this connection, and provision is now being made for this in the Narcotic Control Act and the three areas of the Food and Drugs Act where such certificates of analysis are called for. Complete protection is given to the person against whom the certificate will be produced, and with the leave of the court that person may call the analyst for cross-examination. He can of course, if he wishes, call the analyst as his own witness without leave of the court.

A further amendment of a rather technical kind deals with a provision of the act which, in effect, exempts from it any food or drug that is manufactured for export to another

country. This exemption does not, however, apply to controlled drugs, and by this amendment will not apply to the new category of restricted drugs either.

A further technical amendment deals with the authority to control a substance which is not in itself a drug but which may be used in connection with the manufacture of a controlled drug or a restricted drug. To do this it is necessary to add the words "or other substance" to the definition of what may be listed in the schedule.

• (3:50 p.m.)

There is one further amendment to Part III of the Food and Drugs Act. This relates to the offence of possession for the purpose of trafficking in a controlled drug. The present section provides as an absolute defence that the individual legally acquired possession of the drug, regardless of whether that possession was for the purpose of trafficking. This bill proposes to amend that provision by making this no longer an absolute defence. A court may or may not, on the facts of the particular case, find the circumstances under which the drug was obtained sufficient to satisfy it that the possession was not for purposes of trafficking, but the manner in which the drug was obtained will no longer foreclose the court from examining the purpose for which it was obtained.

The balance of this bill deals with the creation of a new Part IV of the Food and Drugs Act entitled "Restricted Drugs". These restricted drugs are listed in Schedule J which appears as part of the bill. I would like to set out some of the background leading to this measure.

In 1962, following the thalidomide tragedy, the Food and Drugs Act was amended to create a new schedule of drugs, the sale or distribution of which was prohibited. The only drugs contained in that schedule at that time were thalidomide and the drug popularly known as l.s.d. This prohibition of sale and distribution was considered at that time to be quite sufficient as there was no evidence of an illicit manufacture or distribution of either of them. Arrangements were made to ensure that this prohibition did not affect the scientific research which was being carried out, especially with respect to l.s.d. This research is still going on but the results to the present time have not established its place in therapy.

Within the last three years, this drug has achieved a certain unfortunate popularity with a number of young people, both here in Canada and in a number of other countries. Its unsupervised and non-medical use has resulted in many tragedies including chromosome damage, mental breakdown and even several deaths. Notwithstanding the dangers, it has continued to enjoy some popularity among certain groups of young people, although the widespread publicity given to the results of its use have had a substantial deterrent effect.

The police, in their enforcement activities with respect to narcotics and controlled drugs, frequently encounter supplies of this drug that have been illicitly manufactured or illicitly smuggled into Canada. There is no evidence of any diversion of this drug from legal supplies for clinical and scientific use which are strictly controlled. The drug, however, is one that can be manufactured relatively easily by a competent chemist with adequate laboratory facilities.

Because unauthorized possession is not an offence under the Food and Drugs Act, the police have been helpless in dealing with this drug and frequently have been required to return it to the persons in whose possession it was found. It was therefore proposed that a special part should be added to the Food and Drugs Act to deal with what are referred to as "restricted drugs". This proposal appeared in Bill S-21 of last year which died on the order paper with dissolution. At that time the only drug listed in the proposed schedule of restricted drugs was l.s.d.

More recently, three other powerful and dangerous substances have made their appearance on the illicit market and gained a more limited but nonetheless substantial currency. Consequently, the proposed Schedule J, which is the appropriate schedule to this new part in the bill, in addition to l.s.d. also lists these substances. The substances I am directing attention to are things like s.t.p. These three substances, in the interim, had been added to the prohibited drug list in Schedule H under the Food and Drugs Act, but with the enactment of Part IV they will be transferred along with l.s.d. from Schedule H to the proposed Schedule J, the restricted drug class.

This legislation will permit additional substances to be added to Schedule J in the future if this is required. These substances would be newly emergent hallucinogenic substances of sudden currency. We can see how frequently they crop up. There are a great number of such drugs known but not widely used at present. If the need arises these can

be added to the schedule in order that maximum protection to the public health can be achieved with legitimate research and experimentation still permitted.

I mentioned earlier that the provisions of this bill go back two years when they began as parts of two predecessor bills. A great deal has happened in the field of drug abuse in that time and this has been reflected in the enormous increase in the number of prosecutions under both the Food and Drugs Act and the Narcotic Control Act.

The numbers of prosecutions for possession of a drug listed under paragraph 3 of the Schedule to the Narcotic Control Act increased between 1966 and 1968 from 493 to 1,727. But in spite of the enormous variety of individual situations involved in that number of cases, the relevant section of that act provides very little scope for flexibility, either on the part of Crown prosecutors or presiding judges or magistrates. There is no provision for the Crown to choose to proceed summarily; it is obliged to proceed by way of indictment. There is no provision for a judge or magistrate to impose a fine as the penalty; they are obliged to impose a penal sentence, though they can, of course, suspend it.

This rigidity has been the subject of increasing criticism from a wide variety of sources such as the addiction research agencies of several provinces, the John Howard Society, the Elizabeth Fry Society, the United Church, university-sponsored conferences, and judges and magistrates themselves. Clearly there is need for the introduction of scope for flexibility into this section. For that reason, Mr. Speaker, I propose that a further amendment to the Narcotic Control Act be included in this bill and I intend to move at committee stage as follows:

That Bill S-15 be amended by striking out line 29 on page 8 and substituting the following:

"(2) Every person who violates subsection (1) is guilty of an offence and is liable

(a) upon summary conviction for a first offence, to a fine of one thousand dollars or to imprisonment for six months or to both fine and imprisonment, and for a subsequent offence, to a fine of two thousand dollars or to imprisonment for one year or to both fine and imprisonment; or

(b) upon conviction on indictment, to imprisonment for seven years."

Section 2 of the amendment will read, "Section 9 of the said Act". The amendment will be passed around to hon. members.

You will note, Mr. Speaker, that provision remains for the Crown to choose to proceed by way of indictment and for the court, in such a case, to impose a penalty to the extent of the present maximum. But provision will also now exist, if this amendment becomes law, for the Crown to proceed summarily, in which case the maximum penalties, both for first and subsequent offences, will be the same as the maximums set out for possession of a restricted drug under the section being created by this bill in the Food and Drugs Act.

This bill covers a number of areas in the health field. I hope its provisions and the amendment I have proposed will commend themselves to hon. members.

Hon. J. W. Monteith (Perth): Mr. Speaker, I do not intend to speak very long at this stage. I know that the bill is to be referred to the standing committee. By and large I think the minister has given a very complete explanation of the provisions of the bill. He mentioned a further amendment which he proposes to move when we get to the committee. Of course at that time we will be in a position to study the matter completely.

• (4:00 p.m.)

I was interested in the evidence given by Mr. Curran, general counsel for the department, before the Banking and Commerce Committee of the other place when they were studying this bill. The minister in his remarks made a statement concerning the advertising of contraceptives. I believe that such advertising is to be limited to a degree. I think the minister said that associations might be permitted so to advertise but probably only in professional magazines, or that type of thing, rather than through the general media of television, radio, newspapers, and so on. Personally I am in favour of all the amendments proposed in the bill. One or two members of my party wish to say a few words on the details, but generally speaking I believe we are in favour of it. We will, of course, be looking forward to giving it closer study in committee.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I think a great many people across the country feel that this is an occasion which ought to be welcomed and of which special notice should be taken because it is the end of a very long road and a long campaign to legalize the dissemination of birth control information and the sale of contraceptives. The minister introduced the bill in a very clear way. He explained its genesis and how it is composed of the remains of two

other bills. Birth control legislation has had some very strange bedfellows.

Some hon. Members: Oh, oh.

Mrs. MacInnis: In the last parliament it appeared in a measure to deal with hazardous substances, Bill S-22. Barbara Cadbury, a pioneer in planned parenthood in Canada, referred in an article in *Canadian Welfare* to the debate on the bill which took place in the other place. She told how one of the legislators there described the need for that legislation to deal with the following:

> Toy chickens with poison-contaminated feathers, blankets contaminated with dieldrin, poisonous beads and poisonous canape picks and ice-balls that might leak poisons into cocktails, about the hazards of silver polish and of "that family of commodities commonly used for cleaning pipes and drains". At the very end (of the bill) came a proposal to move contraceptives, both drugs and appliances, out of the Criminal Code and into the hazardous substances section of the Food and Drugs Act.

Mrs. Cadbury commented that supporters of birth control had never imagined that their cause would be dealt with in a composite bill along with the hazards of silver polish, but they were nonetheless thankful that with the passage of that bill birth control would be removed from the Criminal Code. Bill S-22 was set aside, as the minister said, at the end of the last parliament. Now we have birth control back in Bill S-15, teamed up with narcotics control. As I say, birth control has had strange bedfellows, but I hope the strange bedfellows are at an end and that birth control is now being made into an honest woman or an honest man, or probably both.

I shall now deal with some of the amendments contained in the bill. I intend to confine my remarks to those clauses which deal with the birth control issue. In general, we are tremendously concerned about the narcotics issue, but I hope someone else from my party will deal with that question. The amendments in this bill concerning birth control will make it possible for Canadians, for the first time in history, to plan and space their families legally. We hear a great deal about the need for a bill of rights. This bill defines and protects some of the most basic and fundamental rights the people of any country can have, the right of parents to decide how many and at what intervals they will have children, and the right of children to be loved and wanted once they arrive.

While talking about pioneers I would like to mention our colleague in this group, the former member for Burnaby-Richmond, now

the mayor of Burnaby, who from 1963 onward in almost every session introduced a bill to legalize birth control. So did the Minister of Consumer and Corporate Affairs (Mr. Basford). He did not start quite as early, but his acceleration was very good once he got going on it. The minister introduced a very fine bill in the 1966 session.

This has not been an easy matter. Certain members of this house took a great deal of converting. Quite a while ago one hon. member in an earlier session—I am quoting from *Hansard*—said:

> In my opinion this is a diabolical scheme straight from hell itself—

Another member said:

> —such a measure would pave the way for the most damaging abuse and the most awful immorality.

But things have moved in this respect and today I believe this matter is seen in the light in which it is now regarded all over the world, that is, one of enlightened planning of our human resources.

I want to say something about our experience on the Health and Welfare Committee, on which this party was represented by my colleague the hon. member for Winnipeg North Centre (Mr. Knowles) and myself. From February, 1966, to November of that year we studied briefs on this subject from representatives of many types of organizations, medical, legal, social work professions, all the major churches, women's organizations, and many others across Canada. Almost all the evidence favoured removing birth control from the Criminal Code, so much so that one of our members made the following remark:

> Maybe we could find a way to get briefs from people who are against birth control.

The result was a report that was favoured by all but one body which came before us. Every body that came before us, except one, which was one of the smaller churches, favoured our report. All but one committee member favoured the report. I refer to that very colourful member from Toronto who is no longer with us and who was referred to at one time as "the implacable foe of the 20th century". That hon. member registered his vote against the report but the rest of us voted in favour of it. I shall be as brief as I can, Mr. Speaker, but I think this is a pretty historic occasion for a great many people in this country who have worked for many

years on this matter. Part of that 1966 report reads as follows:

> Your committee feels that the dissemination of family planning knowledge should be completely available and free from any fear of illegality, as a matter of personal choice.

On the following page of the report we find these words:

> Medical knowledge and technique are at a level today where intelligent family planning can be carried out relatively easily. The present laws of Canada have made this impossible in its fullest sense. It is the feeling of your committee that family planning is a personal decision of a married couple and the state should not interfere with action or laws in any way to influence such a personal decision.

That is a little longer-winded way of saying what the Prime Minister (Mr. Trudeau) has put in very pungent language, that the state has no business in the bedrooms of the nation. I am glad to see that the result is this legislation.

In the bill now before us the government has embodied all the recommendations of our committee report. As the minister pointed out, these are three in number. One was that section 150 of the Criminal Code be amended by taking out those three little words which are pregnant with misery, "preventing conception or". By taking those three words out of the Criminal Code we are taking birth control out of the category of crime. The second was that the Food and Drugs Act be amended so that the word "device" is broadened to include contraceptives, which now come under the aegis of the Food and Drug Directorate. The third was that the Food and Drugs Act be amended to control the advertising of contraceptives.

• (4:10 p.m.)

I notice that the minister stated that the advertising of contraceptives was, in his opinion, if I understood him correctly, to be limited only to those organizations concerned with family planning and information in connection with it. I am a little worried for fear this may be interpreted too narrowly in the regulations. For this reason I should like to quote the position which was put on paper on September 27, 1968, by the Family Planning Federation when they wrote to all of us concerning what they would like to see in the regulations governing advertising. The Family Planning Federation, which has its French language counterpart in La Fédération Pour la Planification Familiale, said the following regarding the advertising of family planning devices:

> Our position is that the innate good taste of the general public will dictate what they will accept in the way of advertisement of any product.

Then they quote the following:

> The medical committee of the F.P.F.C. feels strongly that no distinction needs to be drawn between regulations concerning contraceptive products and regulations already applicable to controlled drugs, to patent medicines, cosmetics, beauty aids, tampons, toilet paper, suppositories for feminine hygiene, deodorants, and the like.

Mr. Munro: Mr. Speaker, since the hon. member is coughing, perhaps I might answer the question she asked me. She wondered what advertising would be permitted. Our understanding is that in the committee, of which the hon. member was a member some concern was indicated with regard to widespread advertising and a desire was expressed for some type of control. We propose to do it by regulation and not to restrict it in respect of the various responsible agencies that are concerned with birth control and family planning. What we are really talking about here is the prevention of direct advertising by the manufacturers themselves.

Mrs. MacInnis: The quotation continues:

> We therefore recommend that contraceptive products should be considered on precisely the same terms as other products for which regulation of controlled drugs or hazardous substances is necessary.

Mr. Munro: From her coughing, I think the hon. member is smoking too much.

Mrs. MacInnis: That is one temptation I have not had. It is the only minor vice I do not have.

I just wanted to put that opinion on the record. This legislation will do a number of very desirable things, and I want to summarize them briefly. First, it will bring our law into line with the way we live. Birth control is being widely practised across Canada. The figures of birth in Canada show this to be the case, not without exception in the Canadian provinces but certainly it is so in those provinces where one might expect not to find declines in the birth rate.

Second, it will provide rules that can be respected and will create respect for the law as a whole. Several witnesses appearing before our committee impressed on us the fact that birth control legislation under the Criminal Code was not good legislation because it could not be enforced. They said it would bring

the whole of the law into disrespect. Among these organizations was the Canadian Catholic Conference of Bishops who emphasized very strongly that it was a bad law and should not be continued. They said:

> In the light of these conditions we consider Article 150, which forbids giving information about contraception as well as the sale or distribution of contraceptives, an inadequate law today. We consider it so quite independently of the morality or immorality of various methods of birth prevention. We believe it a deficient law because it does not meet all the conditions outlined above.
>
> The law is not in fact enforced—

The minister said that there have been very few prosecutions.

> —and the good of public peace might well be lost by attempts to enforce it. A large number of our fellow citizens believe that this law violates their rights to be informed and helped towards responsible parenthood in accordance with their personal beliefs.
>
> It is our clear understanding, of course, that the modification of the law in question is not to extend to that part of it which has to do with abortion.

That was the stand of the Catholic Conference of Bishops at that time.

In the third place, this legislation will give people the knowledge they need. From a pioneer in birth control education comes the following comment:

> Canada cannot raise enough money to support all dependent people in comfort; and it is about time that the increasing demands were checked through birth control which would be welcomed. There has been a definite drop in Canada's birth rate and Quebec province rate in 1967 was slightly less than Ontario. People who can help themselves do so . . . Birth rates on the average vary inversely with the earning capacity of the parents.

From the Canadian Welfare Council's brief comes the following:

> There is no evidence that the poor are basically less willing and anxious to plan their families than are the economically well off. Most often they simply do not know how.

[*Translation*]

Here is the opinion of Dr. Serge Mongeau, director of the family planning centre, in Montreal, and I quote:

> For the population in general, would repealing the law bring demographic growth to a standstill? In this connection, perhaps it is time for Canada to examine its conscience a little. We leave it to the have nots, who often are the least prepared for it, to bring into the world and to educate our citizens of tomorrow.

This legislation, Mr. Speaker, will give low-income people, as well as those who are better off financially, the necessary information and the right that will enable them to plan their family according to their means.

[Mrs. MacInnis.]

[*English*]

Finally, the fourth point is that in a world where so many people are suffering the tragedy and disaster of populations far greater than they can support, it ill behooves us in Canada to lecture them on the need for population control when at the same time we have neglected to take the steps necessary to legalize such measures ourselves. I may say that it strains their credibility to the breaking point. The passage of this measure will be an important step along the road to speaking to other countries not by our words but by our example. With the spectre of a world with diminishing resources whose population will double between now and the year 2000, any contribution we can make in this direction will be of some value.

We in this party commend the government for this bill which we shall support wholeheartedly.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I should like to support this bill in a general way. But in dealing with the contraceptive portion of the bill may I say that this legislation is far behind what has been the custom and a part of the social mores of this country for many years. So this is a case of catching up with what has been practised by society for a long time.

• (4:20 p.m.)

I would say that though variations in birth rates are caused by a combination of many factors, some of them fairly obscure, there is no doubt that the ease with which contraceptive devices can be obtained has some effect, though perhaps not as great an effect as many people believe. I suppose that in Canada knowledge about birth control is available to most students and it is practiced as personally deemed fit. I should like to point out, however, that this measure would allow officials of the Department of National Health and Welfare in their dealings with the native populations to establish family planning. Our attention is focused upon the problem in this regard when we consider that the birth rate among native peoples is almost 44 per 1,000, some three times the national average. So this part of the bill brings us up to date and falls into line with what has been the practice for a long time.

The second part of the bill is concerned, among other things, with l.s.d. which constitutes a continuing problem. As one familiar with controlled drugs for many years, I am amazed by the great problem they have

become. The difficulty about l.s.d. and the other drugs mentioned here is that they are hallucogenic and their effect on those who take them is unpredictable. While the effects of alcohol can usually be predicted, the effects of l.s.d. cannot. There is not much evidence that these drugs produce addiction in the accepted sense that heroin and morphine do, but their unpredictability makes those who deal with these people quite wary. One trip a person might take might seem normal or not unusual, but on the following one he might attempt to defy the law of gravity. So I think it is wise to include these drugs in the schedule.

This action only scratches the surface, however. The real problem is what we shall have to do as a society about the use of marijuana and other euphorics, which seem to be in a different category. I, personally, would not say at this time what we ought to do about the drug problem, but I would ask the minister and his department to investigate the subject with all reasonable speed, because I think that we as a society and we as a parliament will eventually have to deal with it.

Having made these few remarks, let me conclude by saying I look forward to examining this bill more closely in committee and I commend the minister for bringing it forward at this time.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I rise to ask for a little elucidation in connection with this bill. I want to commend the hon. member for Vancouver-Kingsway (Mrs. MacInnis) who sits in the same row as myself and who has been such a doughty warrior over the years in this field. She used the word "bedfellows", and I note the Prime Minister (Mr. Trudeau), has said we must not invade the bedrooms of the nation. So if I am confused, Mr. Speaker, you will know why.

The subject on which I need some elucidation concerns the sale and the advertising of contraceptive devices. I believe the minister said advertisements would not be allowed to be placed and paid for by the commercial firms which make these contraceptives. If I am wrong or if I misheard him, I hope he will correct me. Are the social service workers going to pay for these advertisements? Who will check them? Are they to be checked by public health officials or by the welfare agencies before they appear in magazines or other printed media? Who will scrutinize the journals or other papers in which they are advertised?

There is another matter about which I am a little concerned. I notice that the senator who introduced this bill in the other house, one who is a member of my own profession, spoke about "devices" and in doing so roamed over a wide field. As I understood his remarks, they covered hearing aids and eye glasses. I find myself wondering whether the purport of this bill is to include all devices which may be used in the treatment of medical illness or in the course of medical welfare.

I should also like to know whether springs and loops are included in these devices. Will these loops be inserted by persons other than doctors in the welfare agencies which may be carrying out birth control measures or running family planning units across the country? Who will say whether these devices should be used or not? Who will pay for them? I think this is an important consideration. Will they be recommended to people who are in receipt of welfare grants? Who will look after them?

I was interested, too, in the provision concerning the analysis of drugs and chemicals. I note that the analyst can analyse each chemical mentioned and sign a certificate which may be brought into court as evidence. He does this on the basis of a sample. But is part of this sample given to the accused so that he may check it and produce his own evidence in court if he wishes to do so?

The other matter which drew my attention arises in connection with clause 8 having to do with the possession of controlled drugs for trafficking. All the barbiturates are included here, and they cover a wide field. Does this provision mean that if a doctor writes a prescription for barbiturates his patient, if found in possession of it, is liable to be hauled into court for trafficking, though the doctor who wrote it goes scot-free?

An hon. Member: No.

Mr. Rynard: Somebody says no. But I am not sure about that.

Is the number of barbiturates on a doctor's prescription limited? Surely a doctor is not going to write a prescription for a lot of barbiturates. If he writes a prescription for a small number he may repeat it, if necessary. Some prescriptions have to be repeated at certain intervals. The patient has to go to the doctor, pay for an office call, which would usually amount to $5, and then pay the price of the prescription plus the cost of the drug.

This would make it expensive and not conducive to trafficking, and I am wondering what is the purpose of relieving the medical doctor of complete responsibility for the writing of that prescription. Maybe it is a good thing, maybe it is necessary, but that is something I should like to find out about from the minister.

I note that the question of l.s.d. comes up in connection with prescriptions and I find myself wondering whether doctors have ever written prescriptions for l.s.d. I wonder whether a doctor could write a prescription for l.s.d. and get it filled. Why is it mentioned? I understand from the research people that l.s.d. is difficult to obtain through legal channels even for research. I do not know what drugstore or agency could fill a prescription for it. These are the questions I should like to have the minister elucidate if he can do so.

• (4:30 p.m.)

Mr. Munro: Mr. Speaker, If I made an adequate note of the questions put by the hon. member for Simcoe North—

The Acting Speaker (Mr. Béchard): Order. The hon. member for Winnipeg North Centre.

Mr. Munro: Then I will wait.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I appreciate the desire of the Minister of National Health and Welfare (Mr. Munro) to speak so that he can answer some of the points that have been raised, but I think he will get that opportunity very shortly. It looks as though this debate is not going to last very long and that we can get the bill through before five o'clock.

As a matter of fact, I think it is rather significant that a bill of this kind is going through so quickly. When one thinks of the many years that it took to establish the propriety of disseminating birth control information, years in which one could hardly mention the subject, it is interesting to contemplate that this bit of progress has at least been achieved. I wish merely to support the position that has already been taken on behalf of this party by the hon. member for Vancouver-Kingsway (Mrs. MacInnis). We welcome the change that is being made, and in the main it is a very simple one: any law respecting birth control or contraception is being taken out of the Criminal Code and put under the authority of the Department of National Health and Welfare, where it ought to be.

[Mr. Rynard.]

We appreciate the statements made by the Minister of National Health and Welfare in regard to regulations for advertising. I do not think we need press him any further; I gather it is pretty clear that he is not going to be too prudish about this sort of thing or take a line that would make it possible for certain people to make undue profits or for certain people to be put to heavy expense in this connection.

With regard to the legislation on drugs, it appears to us that the government is moving in a sensible direction. We notice the distinction between restricted drugs and controlled drugs, and the distinction between mere possession and possession for trafficking. We also notice the authority that the government is asking parliament to give the minister's department so it can exercise a certain amount of flexibility in this matter. In other words, we recognize that society is still trying to sort itself out in this field. This is an area where the government has to act, yet where it has to have a certain amount of flexibility. Therefore we welcome both parts of this bill, the part having to do with birth control and the part having to do with the control of drugs, and we are happy to give the bill our support.

The Acting Speaker (Mr. Béchard): Order. I must inform the house that if the minister speaks now he will close the debate.

Mr. Munro: Mr. Speaker, if there are no further speakers may I answer a few of the questions that have been raised. I want to indicate to the house that this legislation has received input from members of all parties; we acknowledge that. My colleague the Minister of Consumer and Corporate Affairs (Mr. Basford) has been a champion of such action, along with many members of the official opposition, the hon. member for Vancouver-Kingsway (Mrs. MacInnis) and others. As the hon. member for Winnipeg North Centre (Mr. Knowles) indicated, the bill is going through the house very rapidly and this is obviously due to the fact that the law is catching up with what society has condoned for many years.

To answer some specific questions that have been asked, particularly by the hon. member for Simcoe North (Mr. Rynard), I think the definition of devices would now include many of the examples the hon. member referred to, if not all of them.

With regard to his question about barbiturates, what clause 8 actually provides is that if somebody is found with an undue or excessive amount of barbiturates, the mere fact he obtained them on prescription in an otherwise legal manner will no longer be an automatic defence to a charge of possession for purposes of trafficking. Previously, if a person was able to show they were legally obtained that was a sufficient defence and the Crown's case was dismissed.

In this regard I think some protection is also given the medical profession, pharmacists and so on. It is possible to go to many different sources with prescriptions and get them filled, and to go to many different doctors for prescriptions, thus obtaining an excessive quantity of such drugs. So there is merit in this type of provision we are now suggesting the house pass. It does deal with that particular situation.

Mr. Rynard: I should like to ask a question on that point when the minister is through.

Mr. Munro: If I may go to the other points, it is not possible to get l.s.d. on prescription now. In order to control the situation we put it in the prohibited category, but it will now go into the new restricted class and it can be used for research purposes only with special authority. Other than that it will be prohibited and possession will constitute an offence, which it is not at the present time.

The hon. member also asked about drug analysis and physical possession of the actual substance itself. I am not certain about that matter and will check before the bill goes to the standing committee. I have some doubt whether that would be permissible. As I indicated, defence counsel with the leave of the court can require the analyst to be present in court and can subject him to cross-examination. Or he could himself call the analyst as a defence witness without leave of the court. This gives the defence considerable legal protection because it can subject the analyst to vigorous cross-examination. Undoubtedly counsel would be able to demand production of the actual substance itself for the purpose of making it an exhibit in the court, but whether he would be able to take it away and have his own analysis done I am not certain. However, I will check that.

Mr. Rynard: Mr. Speaker, there was one other point that I think the minister missed concerning intra-uterine devices, the fitting of which would require the services of professionally trained people. Is there any provision in the bill that this has to be done under the supervision of a doctor or on doctor's orders?

Mr. Munro: I do not believe so, Mr. Speaker, but the hon. member probably knows more about this than I do. It seems that very few people would acquire these devices and try to use them without professional help.

Mr. Rynard: Would the minister check into that point and inform us whether these devices will be under the control of doctors? There are certain risks attached to them, and I believe that there should be such protection in the bill.

The other point concerned prescriptions for barbiturates. If a person is convicted of having possession of barbiturates, is there any way of notifying his doctor that he had better not prescribe them for him in future, or is the whole process to be repeated again? Is there some provision along that line?

Mr. Munro: Mr. Speaker, there is no provision in the bill that makes it incumbent upon the Crown or the police to inform the medical profession or pharmacists about people who are convicted of offences of this kind. That suggestion may have great merit but I am not sure it is the type of thing you put in legislation.

• (4:40 p.m.)

The Acting Speaker (Mr. Béchard): Is it the pleasure of the house to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

PATENT ACT—TRADE MARKS ACT

EXTENSION OF AUTHORITY TO GRANT LICENCES—REPORT STAGE

The house resumed, from Friday, March 14, consideration of Bill C-102, to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, as reported (without amendment) from the Standing Committee on Health, Welfare and Social Affairs.

The Acting Speaker (Mr. Béchard): The hon. member for Richmond.

An hon. Member: He is not here.

The Acting Speaker (Mr. Béchard): Since the hon. member is not here the Chair recognizes the hon. member for Lotbinière.

Patent Act—Trade Marks Act

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, we had not expected this bill to be called so early today. We therefore beg the house to excuse the hon. member for Richmond (Mr. Beaudoin) who is in his office right now.

[*English*]

Mr. Basford: Mr. Speaker, in order to accommodate the hon. member who wishes to move the first amendment may I suggest that, if hon. members agree, we should allow that amendment to stand and proceed with the amendment that immediately follows it, as listed at the back of today's order paper.

The Acting Speaker (Mr. Béchard): Is it agreed that the first amendment shall stand and that we proceed with the second amendment listed?

Some hon. Members: Agreed.

Mr. Basford: The understanding is, of course, that we shall return to the first amendment.

Some hon. Members: Agreed.

Hon. J. W. Monteith (Perth): Mr. Speaker, I move:

That Bill C-102, an act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, be amended by inserting in clause 1 after the word "Commissioner" on line 15, page 2, the following words:

"on advice of a tribunal comprising the Minister of Consumer and Corporate Affairs, the Minister of National Health and Welfare and the Minister of Industry, Trade and Commerce."

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, in speaking on this proposed amendment to the bill may I say that certain fundamental principles have been disregarded. Dr. Harley, a most able man, was chairman of a commission that examined the question of drug prices. He has since left the house and gone to other fields. I think there are only a few of us here now who sat on the Harley commission from its inception. I may be wrong, but that is my recollection. That commission did a tremendous amount of work. It heard approximately 100 witnesses, sought legal and accounting advice and heard representations from the medical profession, drug manufacturers and others. As hon. members know, the commission was instructed to inquire into ways in which drug prices could be reduced, a worthy aim for it to pursue. I believe the commission's legal adviser is now the patent commissioner. The hon. member for Wellington-Grey (Mr. Howe) and the Minister of Labour (Mr. Mackasey) were also members of that commission.

After studying for many months the question of whether drug prices could be brought down in this country the commission brought down a report. I will not go into details except to say that the fundamental part of the report or its core, if you like, was that drug prices might be brought down if that could be done without interfering with the clinical effectiveness of the drugs concerned and without harming the public good in any way.

The government that preceded this one introduced Bill C-190. Fortunately, it later agreed to abandon part of that bill. The Conservative opposition of that time deserves credit for fighting some of the clauses in that bill to the point where it was withdrawn. Fundamental changes were made in it and a similar bill has now been introduced in the house by this government.

I commend the minister for introducing a changed bill. It ought to be understood that the previous bill has been changed, that the changes were for the good and that it was the Conservative party that insisted on those changes being made. I commend the present Minister of Justice (Mr. Turner), then the minister of consumer and corporate affairs, for having had the wisdom to examine the previous bill, recognize that it needed changing and co-operate with the present Minister of Consumer and Corporate Affairs (Mr. Basford) in bringing about the changes. Nevertheless, the present minister did not go far enough in order to make it a good bill.

Mr. Basford: It is an excellent bill.

Mr. Rynard: The minister says it is an excellent bill. That is what the government said about a year ago. They said, "This is a perfect bill. You should not object to it." Despite what was said, the minister's predecessor saw the light of day and I hope the present minister will also see the light of day.

I remember the hon. member for York East (Mr. Otto) saying that Bill C-102, introduced by the Minister of Consumer and Corporate Affairs, was designed to bring down drug prices. As a matter of fact, the present minister attended almost all the meetings of the committee, and I commend him for his courtesy and for his manner of answering the questions that were asked. I think he did a good job on the subject of drug prices. What annoyed me was that after the commission brought down its report the government

introduced the present Bill C-102 and said there would be no changes, come hell or high water, and that was all there was to it. In view of what happened ultimately the Committee's sittings were nothing but exercises in futility. As I say, there were to be no amendments. Any amendments that were moved were not accepted. The government would not permit any witnesses other than the officials it chose to call to be heard. We wanted to hear the evidence of certain witnesses to clear up certain matters. We did not know how far the Food and Drug Directorate was to go in determining the clinical efficiency of drugs or the therapeutic effectiveness of equivalent or substitute drugs.

• (4:50 p.m.)

Mr. Basford: I rise on a point of order, Mr. Speaker. I hesitate to do so because I enjoy listening to the hon. member for Simcoe North who always has a great many important things to say. As I understand the new rules as they are being enforced, the rule of relevancy is being enforced rather stringently at this stage by Mr. Speaker. We are dealing with an amendment proposing that compulsory licences be granted by a tribunal. I think the hon. member for Simcoe North is wandering somewhat from that point.

The Acting Speaker (Mr. Béchard): I thank the minister, but I think the hon. member for Simcoe North is coming to the amendment.

Mr. Rynard: Thank you very much, Mr. Speaker. I know the minister did not mean exactly what he said. He is pretty good natured. I know that what I say hurts him and I realize he is on the spur. He knows this as well as I do. If he did not, he would not be jumping up from his seat.

I want to say there was not one witness heard. They were invited but their invitations almost told them "Don't come here because you haven't anything to say". Telegrams were sent all the way from Vancouver stating that they had something to contribute to this very important measure. The minister knows how important it is because he has said many times that he must have the co-operation of the doctors in order for it to be successful—either that or force them to use drugs they would not otherwise prescribe.

In the committee the minister stood up and said "Oh no, the hon. member for Simcoe North is completely wrong. I would never do that. It is a complete distortion of facts". The minister has either one of two choices. I would like him to state if there is any other course for him to follow. The minister did not receive the valuable co-operation of the Canadian Medical Association. It is the doctors who will be writing the prescriptions. This could have been done very easily. I also believe that the operation of this bill should be reviewed after the legislation has been in force for a while because we will want to know how it is working out. We can then study it in order to determine that the Canadian public is being protected in the way it should.

In the committee meeting somebody asked that one drug be named that had the quality and same constituents but did not have therapeutic equivalency. The drug named was chloromycetin. I think it was Goddard—I will refer to my notes to make sure this is correct—yes, Goddard stated that there were approximately 20 drugs and not one was as we were led to believe. I refer to page 301 of the Canadian Medical Association Journal, volume 100, which states:

> Official standards by themselves do not necessarily assure therapeutic effectiveness. They do not provide biological performance tests. The generic name applies only to the drug entity and hence so-called generic equivalence may vary widely depending on the particular manufacturer. Despite the minister's statement that "lack of therapeutic equivalency among drugs meeting all official standards has been grossly exaggerated as a major hazard to public health", there is an impressive list of treatment failures, drug recalls and reformulations.

I think this indicates to the minister what thin ice he is skating on. This is the authority. Goddard stated that "there may be in reality more than two dozen types of drugs to be implicated as generically equivalent but therapeutically non-equivalent." The minister did not follow the premise that safety in clinical equivalence must be foremost or whether that could be consistent with price reduction.

The article continues:

> These include chloramphenicol, erythromycin, tetracycline, corticosteroids, anticonvulsants, griseofulvin, tolbutamide, bishydroxycoumarin, penicillin, etc. This danger is directly compounded by the number of manufacturers and different sources of supply.

I am trying to be kindly when I state that the minister is skating on very thin ice and that he should have tried to get the co-operation of the medical profession as a whole.

The Acting Speaker (Mr. Béchard): I will kindly tell the hon. member I was mistaken when I thought he was coming to the point.

Mr. Rynard: Mr. Speaker, I am coming to the point.

Private Bills

PROCEEDINGS ON ADJOURNMENT MOTION

The Acting Speaker (Mr. Béchard): Order, please. It is my duty, pursuant to Standing Order 40, to inform the house that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Fraser Valley West (Mr. Rose)—Labour Conditions—alternative to compensate for cancelled winter works program; the hon. member for Hillsborough (Mr. Macquarrie)—Post Office Department—effect of increased rates on Printing industry; the hon. member for Skeena (Mr. Howard)—Fisheries—seals—disposal of Norwegian ship under seizure.

The time being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, private bills, notices of motions (papers), public bills.

PRIVATE BILLS

EXCELSIOR LIFE INSURANCE COMPANY

On the order:

Resuming debate on the motion of Mr. Weatherhead for the second reading and reference to the Standing Committee on Finance, Trade and Economic Affairs of Bill S-13, An Act respecting The Excelsior Life Insurance Company.

Mr. Forest: Stand.

Mr. Howard (Skeena): On a point of order, Mr. Speaker, it is not possible to stand an order to resume a debate. The hon. gentleman behind me is prepared to speak.

The Acting Speaker (Mr. Béchard): Does the house give unanimous consent?

Some hon. Members: No.

Mr. Forest: I understand that the member who sponsored this bill is away on government business overseas. We would be ready to proceed with order No. 4, Bill S-27, in the name of the hon. member for Lévis.

Mr. Howard (Skeena): Mr. Speaker, there has been no communication of that sort that I know of. We were prepared to proceed with the first item in the name of the hon. member for Grenville-Carleton, which has been stood at the request of the government. In anticipation of the next item being called, resuming debate on second reading of the bill respecting the Excelsior Life Insurance Company, we are prepared to proceed with that bill. For that reason it is not possible to give unanimous consent.

The Acting Speaker (Mr. Béchard): In the absence of unanimous consent we will proceed with order No. 2.

The house resumed, from Friday, January 31, consideration of the motion of Mr. Weatherhead that Bill S-13, respecting the Excelsior Life Insurance Company, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I hope that during this debate someone will tell us more about this company. I am a farmer and I buy insurance. I was hoping that someone on the government benches would try to sell this insurance company to us a little so that we could learn more about it. In times past government members have frequently been reluctant to tell us very much about such bills, and since this bill does not say very much about the particular company concerned it would be a little awkward for a backbencher to debate it without doing some research on it, which is what I did.

• (5:00 p.m.)

I thought I had better have a look at this great Canadian insurance company which was founded on August 7, 1889. I wonder why it has been a subsidiary of the Aetna Life Insurance Company since 1960 and why it is no longer a Canadian company. If it was such a great Canadian institution, why did that happen?

If we look at the company's balance sheet we discover that its premium income in 1967 was some $34 million and its total income was some $49 million. Total assets of this great Canadian company were $204 million and it had a surplus of $11,792,000, with net reserves of some $166 million. In the period from 1908 to 1956 it averaged 8 per cent on paid-up capital. To me that sounds fairly affluent. If I had earned a rate of 8 per cent over the 26 years I have been farming I would have a lot more money than I have now.

The other day we had a nice lecture from the government benches to the effect that we in this party have no idea how business is run. Maybe I am in the wrong business. Instead of being a farmer possibly I should be in the insurance business. But, as I say, I am a buyer of insurance, not a seller, and to me an average earning of 8 per cent seems a little too high, particularly when one takes into

account all the sinking funds and other incidentals previously deducted by the company. I wonder whether this company, by overcharging for insurance, is not contributing to inflation. As a farmer I feel it is charging too much and that I am not getting value for the dollar I invest in insurance.

If government member say that we know nothing about insurance, let me point out what happens on a farm in Saskatchewan. I have accident and casualty insurance, automotive insurance for two trucks and a car, fire and wind insurance on farm buildings, and I contribute to crop insurance. In addition, as an individual I have a life insurance policy. As a buyer of this product, insurance, I suggest that the charges are too high. I suggest that it is in the interests of this particular businessman to get insurance at a cheaper rate, and that insurance companies should provide better service for the money they charge. In effect I say to them, "Your rates are too high. If you want to go into business in Canada you should give a more reasonable return."

I would like to ask some questions about this company. I am aware it is licensed in all the provinces of Canada, but where is the bulk of its cutomers? What special services is it offering to the Canadian people when it wishes to sell insurance to them? Does this company have any particular business with the government of Canada? This is one question in particular that should be answered. I know that I am covered by a health insurance policy, but I would like to know whether I am contributing as a member of parliament to this company. We are entitled to know whether this company does any business with the government of Canada.

What reason would an American company have for buying a Canadian subsidiary in the insurance field other than to make money? I can see this being done by American companies in the automobile or tractor businesses where larger markets help to increase profits, but is it necessary in the insurance field?

I would like to look now at the operations of the American big daddy in this case, the Aetna Life Insurance Company of Hartford, Connecticut. Just what does this company do? What service does it perform? What is its financial position? I have here a few figures taken from Moody's Bank and Finance Manual which show that in 1967 the total income of this big daddy was $1,638 million. The increase in its reserves in 1967 was $310 million, policy holder dividends were $28 million, and federal income taxes, that is, American income taxes, totalled $29 million. The net left after federal income tax was $38 million, and its surplus account as of January 1 was $335 million. Its net capital gain that year was $12 million, making a total surplus account of $393 million, almost $400 million. I suggest that this is pretty adequate and I wonder whether it is necessary that we as Canadians should contribute to the welfare of American policy holders by paying dividends to an American Caesar.

Years ago it used to be the case that Roman armies marched into a country and as a result its inhabitants had to pay tribute to Caesar. Now a different type of invasion takes place, the invasion of capital investment, but the country's inhabitants pay tribute just the same. Perhaps it is more dignified, and some of the people in the invaded country even think it is a good thing. That seems to be the case with the government.

To return to my original argument, as a consumer of insurance I object to paying such high rates to Canadian insurance companies. It hurts me even more to pay these high rates to an American company, particularly when that company ultimately pays taxes to the United States government rather than to the Canadian government. I challenge hon. members on the government benches to say whether this company receives any business from the Canadian federal government or its employees. This is a question that bothers me when I see a government sponsoring a bill of this nature. As there are other members who wish to contribute to the debate, Mr. Speaker, I am glad to for go any further comments on this occasion.

• (5:10 p.m.)

Mr. Ian Wahn (St. Paul's): Mr. Speaker, I believe the hon. member asked me to answer several questions. With regard to the province in which the company is registered I presume, although this would be subject to check, it is registered in the provinces in which it carried on business. As I think I indicated when I introduced the bill the present company, the Aetna Casualty and Surety Company has claims offices located in Quebec City, Ottawa, Hamilton, Winnipeg, Calgary and Vancouver. The new company, of course, could not be registered in any province until it is actually incorporated and ready to carry on business.

I presume the question with regard to whether there are contracts with the government is directed also to the existing company, the Aetna Casualty and Surety Company. I would be glad to obtain that information for the hon. member. I should say, however, that answers to all the questions he and others might have could be given most conveniently if he and his colleagues would permit this bill in the normal course to go to the committee where we would have before the committee the executive officers of the company to give complete answers to any questions any member of the house might have.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, in taking part in this debate this afternoon I should like to refer to the comments made in the other place with regard to Bill S-13, regarding the Excelsior Life Insurance Company, which is before us at this time. I should like to review some of the statements which have been made in this regard and really bring us up to date concerning what is actually happening and the reason I have some doubts at this time in respect of the passage of this bill. I am sure many members of the house realize that the purpose of Bill S-13 is to convert the Excelsior Life Insurance Company from the status of a company with provincial incorporation to that of a company with federal incorporation. As such the purpose of the bill is exactly the same as that of many bills which have come before the committee of the other place in recent years. The main difference here is that this bill proposes a somewhat different procedure from that which has been traditional. This difference was referred to by the Superintendent of Insurance when he spoke to the committee of the other place. I should like to quote from page 1 of the evidence of the Standing Committee on Banking and Commerce of the Senate for Wednesday, June 7, 1967. The Superintendent of Insurance said:

> Honourable senators will recall that the usual practice in cases such as this is to incorporate a new company by special act and empower that company to take over the assets and the liabilities of the provincial company by agreement. That system works very well in small companies and we have used it very often. This case, however, is somewhat different, since Excelsior is a well established company with a large volume of business in force and a large volume of assets. The traditional method that we have used, involving a transfer from one corporate entity to another, would require a transfer of assets with the expense and difficulty of re-registering mortgages and securities and also involving the problem of transferring the contractual liabilities of the many thousands of policies outstanding, from one corporate entity to another.
>
> Therefore, this bill proposes a different procedure, one whereby Parliament would declare that the company is continued as a corporation in the same sense as if it had been a corporation incorporated by special act of Parliament; it would be clothed with all the powers of a federal company and subject to all the restrictions and obligations.

In dealing with this statement it should be recognized—and this information is available—that in the case of the Excelsior Life Insurance Company it is now a provincially incorporated company and is not subject to the provisions put in the Canadian and British Insurance Company's Act in 1965 to restrict the sale of shares to non-residents. Even if it becomes a federal company subject in all respects to that act, it will still have an exemption from this provision by virtue of the fact that more than 50 per cent of the shares are now held by one non-resident.

In dealing with the situation in respect of the incorporation of the Excelsior Life Insurance Company I should like to refer briefly to a statement made by the president of the Royal Bank of Canada. I believe it bears directly on the situation as we find it in this case. I shall quote from the *Globe and Mail* of Friday, March 21, 1969. The article refers to the comments of Mr. W. Earle McLaughlin, president of the Royal Bank of Canada, and states:

> In a speech prepared for the American Club in Paris, Mr. McLaughlin said any effort to "buy Canada back" from U.S. investors would be self-defeating.

The article continues:

> However, "there is at present a real danger that foreign-owned Canadian corporations may become subject to foreign laws or regulations that reach across the national boundary."

I suggest in respect of the first statement that the president of the Royal Bank of Canada is really suggesting that we should not be concerned about buying back Canada from other countries because it would be self-defeating. In his second statement he is suggesting there is a real danger that our friends across the line may impose their laws upon corporations which are doing business in Canada. I say with due respect that the president of the Royal Bank of Canada has most certainly been very evasive in his statements. Personally I do not find the two statements to be very meaningful in respect of what we are trying to bring about in Canada at this time. The article goes on to say:

> The U.S. government may try to force Canadian subsidiaries of domestic companies to obey U.S.

regulations. "The subsidiary may then be denied the right to do something that is perfectly legal, even encouraged, by Canadian law and policy." This problem, he added, should be solved through inter-government consultation rather than restrictive legislation.

We have seen various areas—I might refer to the International Grains Arrangement—where we thought we had international governmental control and regulation but found that regulations really mean very little if those who are signatories to the document are not prepared to be honest and forthright in their dealings. I am frightened that the same thing could happen with insurance companies under our present system unless there are strong laws to govern them completely because the fact is they are not too concerned about regulations.

If another country were to enforce its regulations upon companies within our boundaries then I suggest that the intent of the president of the Royal Bank of Canada will never be fulfilled. I certainly appreciate his sincerity in this article when he says that the over-all situation might be improved through intergovernmental consultation rather than restrictive legislation. To date, however, we have not seen this type of intergovernmental regulation in the insurance field, particularly since the majority of the money is controlled across the line, and we really become subservient to that control in our society today.

Another matter which comes to my mind is related particularly to the article in the *Globe and Mail* of March 21 where Mr. McLaughlin is reported to have said:

> The case against the Buy Back Canada scheme is therefore overwhelming.

He is referring to the buying back of Canada about which we have read so much in various editorials and well documented articles. But here we have the president of the Royal Bank of Canada suggesting that there really is no case to present for our stand that we should buy back Canada or at least invest in Canada so that we can control our own destiny. The article continues:

> —all discriminatory Canadian legislation should be repealed; and, most important of all, foreign law and regulation should stop at the border.

This point is very well taken, but we know that in actual practice many of these situations do not really materialize in the way in which all of us here in Canada would like. I have another article which I should like to refer to briefly. I believe we all realize that in respect of the investigations that are going on by various Canadian corporations, labour unions, and so on it never happens that information is not reported in the papers. This is an article written by David Crane, a *Globe and Mail* reporter. It is headed, "Report Unravels Corporate Ties From 4,333 Holding Companies." I believe this is a fact that many members of the house have forgotten. These corporate ties have put this country in the position in which it is today. If we had the so-called free enterprise system about which so many hon. members speak, we would not have the corporate ties that are being unravelled at this time. This is demonstrated by the article in the *Globe and Mail*, which reads in part:

• (5:20 p.m.)

> Important new information on the ownership of Canadian corporations—including the intriguing role of private investment trusts—is contained in a special report on inter-corporate ownership in Canada by the Dominion Bureau of Statistics.

The article continues:

> The 834-page report contains details of 4,333 holding complexes, which have interests in more than 15,000 Canadian corporations. It is called Inter-Corporate Ownership and sells for $8.50.

I mention that in case anybody is interested in obtaining a copy. The article continues:

> Although the web of interlocking holdings and the investment positions of the various private trusts and financial institutions are based on 1965 information collected by the Corporation and Labour Union Returns Act group, the report nonetheless sheds new light on the structure of ownership in Canada, and reveals to some extent who owns what.

The position has always been taken by our party that we are concerned about who owns what. I would like to refer to the bill now before us and indicate the situation as we find it. With regard to the bill immediately preceding Bill S-13, I understand its sponsor and the company officers have agreed that the company shall become Canadian-owned in ten years. Surely this is the least anyone in Canada can expect. I say this with due respect for the corporate enterprises we have in this country. The least we can expect is that they become Canadian-owned in a set number of years. To suggest that anyone in this house is out of order, in effect, in asking that such a provision be included in the bill is, I believe, losing touch with what Canada is all about.

This is the end result of the one-nation concept. We should be completely involved in this question and determined that we will

buy Canada back. In my opinion it does not really matter what the president of the Royal Bank of Canada has said in this regard, because I believe the case for buying Canada back has been well made. We can do this by the simple method of requiring these companies to become Canadian-owned in a set number of years. I could refer to various situations where this requirement has been very effective.

To confirm what I have just said I should like to refer to the committee report. There you will find set out the various transactions that took place, the various conversations and documented statements. The report refers in particular to what I have just mentioned. It suggests that the special feature of the bill is to be found in the clause in which the company undertakes that within five years at least 25 per cent of the stock will be made available to Canadian shareholders, and within ten years another 24 per cent will be available to them. So at the end of ten years the ownership of this corporation will be 49 per cent in the hands of Canadians. Surely everyone in this house would agree that this is a step in the right direction. I should like to read just one sentence of an article in the *Globe and Mail* of March 26:

> Rarely heard names crop up frequently in the special report by the Dominion Bureau of Statistics on inter-corporate relationships in Canada.

This refers to what I mentioned a short while ago. Perhaps I might read further from this article:

> The report contains many surprise connections in the corporate world, along with much information that has been made public previously.

I suggest that with what we have before us, together with the information anyone may obtain in any of Moody's banking and financial manuals, we know exactly where the corporate power lies. I think this house will be very remiss in its responsibility if it does not take action such as that taken with regard to Bill S-16 which has been stood. The bill before us concerns the Excelsior Life Insurance Company, but I must refer to the previous bill to substantiate what I am attempting to prove to the house. In the Finance, Trade and Economic Affairs Committee it was said:

> We are quite conscious of the feeling of the Department of Insurance that shares should not go to the public until the company has been seasoned and has been established as being a success, if you will, a solid, stable, going organization, and I think we would be most reluctant to take shares to the public until we felt we had demonstrated that the company was a solid, going and well established organization. However, once that time is reached, certainly the public issue is one possibility.

[Mr. Skoberg.]

I am sure we agree with that statement. We have heard of many cases of our senior people being fleeced by corporate enterprises in this country. We know of cases where widows who have accumulated a small amount of money have had the money taken from them without hesitation by these people. They go out and sell our people a bill of goods without being well seasoned, if I might use that expression. They have been able to sell these people a bill of goods and take away their entire earnings. The committee report continues in these words, and I quote them because I believe they are important:

> Our hope, sir, would be that the public offering would be available. We feel that this best meets our objectives of providing the company with a true Canadian ownership.

That sentence indicates that without doubt we have in this country enterprises which will agree to becoming Canadian-owned. Only through the viligance of individual members of the House of Commons can we provide for this very essence of Canadian ownership if we so desire. I am sure that if the Excelsior Life Insurance Company, with which we are dealing under Bill S-13, were to give an undertaking to the house that it, too, would agree to what we think is right so far as Canadian ownership is concerned, there would be very little hesitation in passing the bill on the part of the members of the party to which I have the privilege of belonging. The committee report continues as follows:

> My only reservation is that you just cannot predict a public market five or ten years in advance, and if the market were thin or down and if people were not interested in buying securities, then I would think an investment banking house might well want to take them and hold them for a few years before it took them to the public. Certainly, ultimately the public should have these shares.

I believe this indicates some of the concern that has been expressed in many cases. This principle should be adopted by hon. members who have chosen to sponsor this type of bill. It is amazing that individuals are subjected to the whims of corporate power and come before this house and sponsor bills when they have not received from those who asked them to sponsor the bills an undertaking as to the company becoming Canadian-owned.

• (5:30 p.m.)

I believe the onus lies on people sponsoring these bills to ask that question before they become pawns in the system in which we find ourselves at this time. Surely, this question must have been asked before the Excelsior Life Insurance Company was sponsored. I am sure that the answer was right. If the answer was in such language that the house could understand it and there was no hesitation on the part of the company in saying that they would become Canadian owned, then there would be very little debate on many of these bills.

I should like to continue with another section of this report. I have here a vast number of figures to show the corporate tie up of the Excelsior Life Insurance Company with other life and casualty, insurance companies. However, I will quote directly what was said in the committee:

> We feel that the growth of the Canadian business, particularly in terms of numbers of people serviced through our group contracts, sir, warrant Canadian participation initially in and, ultimately, ownership of this company.

Once again, he comes directly back to the point, which is ownership of this company, which will ultimately be in Canada.

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

Mr. Les Benjamin (Regina-Lake Centre): I do not often take part in a debate such as this, but the more I look at the order paper the more I am convinced I will do this more often. I do it without any apology. Some months ago I spoke during this hour on a bill concerning a company in an entirely different field from this one. I said at that time I felt quite sure that all members of my party in the house and most, if not all members and supporters of my party in this country, insist that we should not do anything in this house that will give aid, comfort or support to the continuation or extension of U.S. control of the Canadian economy; that we should under no circumstances, no matter how minor the bills may appear on the surface, pass any measures that will make more firm the present control of our economy by foreign corporations.

This bill has been before this house and the other place on previous occasions as well as in this session. The reasons for this bill being presented have remained the same. I want to say that the sponsor, the hon. member for Scarborough West (Mr. Weatherhead), is a good member and a nice fellow. He is doing what he feels to be his public duty and in sponsoring this bill he feels he is performing his duty as a member of parliament. He has no intimate relationship with this company. So, the things I may say about this bill or this company are no reflection upon the sponsor of the bill. But may I urge upon him and upon every other hon. member that, from here on, no member of this house should ever again sponsor a private bill for a private company if the bill in any way contributes to the strengthening of U.S. ownership and control of the Canadian economy unless it is the belief of the sponsor that there is nothing wrong with the present level of U.S. control and ownership of our country. It seems to me that only a member who feels that way could feel free to sponsor such a bill. Any other hon. member would feel that he could not sponsor a measure of that nature in the best interest of our country.

The bill seeks to provide retroactively the federal incorporation of the company. We are told by the Superintendent of Insurance that the present situation has caused a great deal of difficulty and inconvenience to the company. All I can say is, isn't that just too bad! This company is 71 per cent owned and controlled by the Aetna Life Insurance Company of Hartford, Connecticut, which in turn is owned and controlled by the Aetna Life and Casualty Company of Hartford, Connecticut. May I say as an aside that I wonder if a quick way of regaining a great deal of the economic control of our country would not be by negotiating with the United States for the purchase of the entire state of Connecticut, or at least of the city of Hartford, which seems to harbour most if not all the insurance companies which hold great interests in Canada. Perhaps in this manner we could simply and quickly return ownership and control of a large section of our economy, particularly in the financial field, to Canadian hands. I say this facetiously, but it is a little distressing when one sees bill after bill presented to the house year after year and always the address of Hartford, Connecticut crops up. It must be a place greatly liked by insurance companies in particular.

As I was saying, this bill is a measure to provide some convenience for the Excelsior Life Insurance Company. The Superintendent of Insurance has told the committee of the other place that this method is different from

the one usually practised for the federal incorporation of such companies as opposed to provincial incorporation. The implication in this procedure is that it will save the company a great deal of expense and trouble to which they would have to go if they went about the corporate change in the normal way. I must say that I am not particularly interested in saving this kind of company any difficulty or expense. It could be said that my attitude might cost the shareholders and the owners of this company some interest or some dividends. However, I suspect that most of the dividends are paid to the owners in the United States, and here again I cannot have too much sympathy if these people should happen, through my action, to receive a smaller amount of dividends or interest.

Bills such as this would be received with a great deal more sympathy in the house if these companies would present in writing or incorporate in bills which are presented to the house—although I would prefer it to be in the legislation—an irrevocable guarantee that the company would divest itself of at least 22 per cent of the present U.S. ownership and turn it over to Canadians.

• (5:40 p.m.)

Assuming 29 per cent is owned in Canada, and that this company could guarantee that within a few years it would divest itself of 22 per cent of ownership so that majority control would rest in Canadian hands, this bill might be received with greater sympathy than it is being received now, at least in this quarter of the house. However, I have yet to be assured that part at least of the 29 per cent I have mentioned is not owned in some other country, for example, in Europe. The company would then require to divest itself of a higher percentage than 22 per cent in order that the corporation might become owned and controlled by Canadians at least to the extent of 51 per cent. I, personally, feel that control to the extent of 51 per cent of a financial institution is not great enough, but it would certainly be better than the present 29-71 ratio.

Another thing which bothers me in connection with legislation of the kind we are considering is this: I have personal doubts about the quality of the Canadian corporate citizenship of such a corporation. I think it is a little much to expect that the directors and owners of this corporation in the United States would place Canadian public interest ahead of the corporate interest of Aetna Life Insurance, Aetna Life and Casualty and, thus, of Excelsior Life and Casualty. I could not blame them for not doing so. It would be quite proper for them to place the interest of their private company before any public interest of the country in which it was operating. Again, if this corporation, or its sponsor, either in writing or in the body of this legislation could guarantee that from here on its investment policies would place the Canadian public interest on a level with, or higher than the private interests of the corporation, this bill would be received with a great deal more sympathy.

For example, if investment moneys in the mortgage field are available, as they are year round from such a corporation, and if the company could guarantee that its investment policy would have some relation to public and social needs and that housing, for example, would take priority over the building of fancy service stations or fancy hotels, it would be much more deserving of consideration when it sought legislation either in this house or in the other place.

I hope hon. members in all parts of the house feel that the question of the extent of foreign ownership and control of Canada's economy is a serious one and that it should be dealt with without delay. I am sure most hon. members feel this to be the case. Some of them are reluctant to say so, possibly because of the corner of the house in which they sit, but I do not think there can be any question about their concern. I trust that before this parliament goes on much longer other members in other parts of the house will express their views about the dangers to Canada's sovereignty and independence because of the extent of foreign ownership and control.

I hope, too, they will agree that any legislation presented to the house in connection with the incorporation of insurance companies, particularly of the size and magnitude of the one we are considering, should not only be in the best interests of Canada but should be designed in such a way as to lessen the extent of foreign ownership and control of our economy. Surely, it is not too much to expect that these corporations should respect the opinion and feeling of this house and of the people of this country and be prepared gradually to make it possible for Canadians to take over a larger share and eventually total ownership of such corporations?

I hope all we have heard during the past year from members of all parties during and

after the election campaign about the independence of our country and about its future was more than just election talk, more than just political talk, more than just partisan talk. I hope it is something about which we all feel deeply and that hon. members are all anxious to see something take place to reverse what has been happening to us.

The passing of legislation to make it more convenient for a private company, most of which is owned outside Canada, to operate more easily in this country is not in my opinion in the best interests of this nation.

May I now put forward a personal opinion, one which I hold strongly; I do not know that our party has expressed any firm policy with regard to it. I note that a few years back this company went into the field of health and accident insurance in addition to life insurance. It is my personal opinion, and I do not know whether anyone in this house agrees with me, that any private company or corporation which would make a profit from the misfortunes of others is immoral. I do not believe this is a proper field for private enterprise. I am sure that neither this company nor any other is in business in order to break even, or to lose their money. These companies are in business to make profits and for no other reason. It seems to me this is an area in which the public as a whole should be engaged through their governments. And again, I find it difficult to support legislation which would aid and abet private corporations in selling accident and health insurance.

I must confess my feelings are strong on this issue, probably because I have seen private corporations in the insurance field extend the most vicious kind of opposition to medicare and hospitalization plans in my own province. In view of what has been said so far, and partly, I hope, in view of what I have just said, I wish now to move, Mr. Speaker, seconded by my hon. friend from Saskatoon-Biggar (Mr. Gleave):

That this bill S-8 be not now read the second time but that it be read this day six months hence.

• (5:50 p.m.)

Mr. Frank Howard (Skeena): It is not very often in this house that we see very much interest shown in Canadianism or any indication given that there is or should be strong concern—

Mr. Wahn: Mr. Speaker, on a point of order. I believe the motion referred to Bill S-8, whereas the bill now being dealt with is Bill S-13. Therefore, I presume the present motion is out of order. Since I believe there are no further speakers available on the other side, perhaps the question on Bill S-13 should be put to a vote.

Mr. Howard (Skeena): That may well be the case, Mr. Speaker. I have just checked with my hon. friend for Regina-Lake Centre (Mr. Benjamin) and it is evident that the lad picked up the wrong piece of paper. I have the proper amendment here, which reads, "That this Bill", without the number of the bill. That is the proper motion.

The Acting Speaker (Mr. Béchard): Order. It is true that the motion refers to Bill S-8, but under the circumstances I think the house understood that it referred to the bill under study, which is Bill S-13.

Mr. Howard (Skeena): I think my hon. friend for Regina-Lake Centre wanted to apologize for the error that was made, Mr. Speaker. As I was saying, it is not very often that we find people in this house who are really concerned about the pride we should have in our own nation, in trying to become economically independent, in trying to exercise our political activities and jurisdiction to the point where we become masters in our own house.

I do not wish to be unkind to the hon. gentleman who just raised the point of order, but it is a fact that he has probably as many marks on his record of political activity in this house as anyone has when it comes to sponsoring bills promoting foreign-owned companies. I do not think that should be looked upon as any credit, though I do not say that unkindly of the hon. member for St. Paul's (Mr. Wahn).

What we should have, as the hon. member for Regina-Lake Centre pointed out, is a little more concern for what we as Canadians hope we can do to preserve our own economic and policital integrity. We have heard the Prime Minister (Mr. Trudeau) talk rather gloatingly about our sovereignty as a nation, our sovereignty in the Arctic, about being masters in our own house and the like. Yet, we see his own members year after year coming before this house pleading and begging that we give some favoured consideration to United States—

The Acting Speaker (Mr. Béchard): Order. Would the hon. member kindly talk about Bill S-13.

Mr. Howard (Skeena): Mr. Speaker, I had just reached that stage. This bill is sponsored by a United States-owned company. It is regrettable that we have to go through this procedure time and time again because hon. members—I do not say this unkindly of them—are sponsoring bills that fall into this category and which are not Canadian in the full sense of the word.

This particular bill really seeks to do something that, I think, distorts history. It is asking this parliament to make a declaration that would rewrite the facts of the case. It is asking this parliament to say that this company shall be deemed to have been a federally incorporated company since May 4, 1910. Excelsior Life Insurance Company is asking us to reach into the past almost 60 years and rewrite the record. It is asking us to erase the situation that existed at that time and to say that, to all intents and purposes, this company shall be deemed to have existed as a federally incorporated company since May 4, 1910.

Throughout the bill there are references to an intention to continue just as if the period between had not intervened, which I think is stretching things quite a bit. I know similar provisions have been included in other bills and will probably appear in bills to come before us in the future. But I do not think the parliament of Canada should try to undo what has already been done and attempt to rewrite history as we know it.

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Béchard): Order. I have the honour to inform the house that a message has been received from the Senate informing this house that the Senate has passed the following bills without amendment: Bill C-173, an act respecting the organization of the government of Canada and matters relating or incidental thereto; Bill C-178, an act to amend the Canadian Forces Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Superannuation Act, the Royal Canadian Mounted Police Pension Continuation Act and the Public Service Superannuation Act.

It being six o'clock, I do now leave the chair to resume the same at eight o'clock.

At six o'clock the house took recess.

[The Acting Speaker (Mr. Béchard).]

AFTER RECESS

The house resumed at 8 p.m.

GOVERNMENT ORDERS

PATENT ACT—TRADE MARKS ACT

EXTENSION OF AUTHORITY TO GRANT LICENCES—REPORT STAGE

The house resumed consideration of Bill C-102, to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act as reported (without amendment) from the Standing Committee on Health, Welfare and Social Affairs.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, to summarize the points I was making with regard to the amendment, I say that before any compulsory licence for the manufacture of drugs is granted, the commissioner ought to consult the tribunal mentioned in the amendment. I submit also that the Minister of National Health and Welfare (Mr. Munro) ought to be a member of that tribunal since it seems that international patent rights are being arbitrarily abrogated. If that minister is on the tribunal, physicians will be encouraged to use, and patients will ask for, cheaper imported drugs. Therefore, the granting of a compulsory licence must be subject to the approval of the Food and Drug Directorate which ought to determine whether the product in question is the pharmaceutical and clinical equivalent of a drug that is established and produced in Canada. Only if there is such approval on the part of the Food and Drug Directorate can we expect doctors to prescribe new drugs. The minister has said over and over again that co-operation between his department and the directorate is essential if this legislation is to work. That co-operation would be in keeping with one of the first recommendations of the Harley report.

The Minister of Industry, Trade and Commerce (Mr. Pepin) must also be on the tribunal to advise the patent commissioner whether a new drug is good for the public. He must also advise whether admitting a new drug will stop research or slow it down. Will drug firms stop conducting research in this country, or will they conduct some of their research elsewhere? In short, what will be the economic effect on the public of introducing new drugs? I believe the Harley report touched on some of these points also.

Several hon. members were concerned about the fact, which was alluded to in committee when the bill was being studied, that no feasibility study in this entire area was undertaken. We have not had any report in this area from the Economic Council. That report, unfortunately, will not be available until the fall. As a matter of fact, after an hon. member sitting on the minister's side of the house asked whether a feasibility study in this entire area had been undertaken, the claim was made that such a study could be undertaken and that the report would be accurate to within 2 or 3 per cent.

The other point I wish to raise is, will not the budget of the Food and Drug Directorate be increased by millions of dollars as a result of setting up offices in Europe, employing inspectors and other personnel in Canada to carry out all the additional work that will be necessary. May the ultimate effect of this not be to increase instead of to decrease drug prices? When confronted with this question the patent commissioner was not certain how to answer; neither was the former minister.

The amendment directs that the Minister of Consumer and Corporate Affairs (Mr. Basford) be a member of the tribunal. Clearly, he must be on the tribunal since it is his responsibility to protect the consumer and to advise the patent commissioner.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, in speaking on this amendment I urge the minister to accept the idea of a tribunal granting compulsory licences for the manufacture of drugs. It seems to me that a tribunal composed of the Minister of Corporate and Consumer Affairs (Mr. Basford), the Minister of National Health and Welfare (Mr. Munro) and the Minister of Industry, Trade and Commerce (Mr. Pepin) would be ideal to take care of all phases affecting the manufacture of drugs in Canada.

First of all, the Minister of Industry, Trade and Commerce would have a great deal to consider. This bill, in fact, wipes out all patent protection for drugs sold in Canada. This, of course, is an extension of what already was in force in that, while a compulsory licence could be issued for the manufacture of a drug in Canada, it could not be imported from abroad. Under this bill, it will be possible to import all drugs upon obtaining a compulsory licence, regardless of where they are manufactured, providing they meet the standards of the Food and Drug Directorate.

• (8:10 p.m.)

The abrogation of the right of patent protection, Mr. Speaker, is a serious step that has much wider implications than just the drug industry. It perhaps is foolish for a drug patent to last 17½ years. It is not very practical for drugs to have protection this long, as the average drug is only on the market for approximately five years. The granting of compulsory licences on a large scale will cause considerable change in the industry and in the manufacture of drugs.

The drug industry is international in scope. Most major drug companies operating in Canada have manufacturing facilities in many countries. If competition is intense, the large companies will manufacture drugs in countries where labour costs are lower. The various drug manufacturing companies in Canada have large research facilities. It may be these research facilities would be phased out, which would be detrimental. It would be the duty of the Minister of Industry, Trade and Commerce to ascertain if the granting of compulsory licences would do substantial damage to those segments of the industry that would be advantageous for our country to retain.

I am sure the minister will make every effort to maintain in Canada a high level of employment and research facilities in the interests of the community at large. Drug safety is the responsibility of the Minister of National Health and Welfare and his officials. All reports concerning this phase of the drug industry have stressed that competitive drugs be either manufactured in Canada or imported. The overriding factor in all cases, however, would be the safety factor.

The clinical efficacy of the drugs should be established in Canada so that physicians, pharmacists and patients would know that the quality of drugs was being maintained and that no sub-standard or relatively unsafe drugs would be allowed on the market. The Department of National Health and Welfare has greatly expanded in anticipation of an increase in varieties of drugs. This will cost some millions of dollars.

The department may find the cost of policing and insuring safety of a proposed drug might be greater than the savings effected. This would be a factor in their decision. This department has a good record with regard to drug safety. If the expected large volume of compulsory licencing materializes, the department will have a much greater duty.

The Minister of Consumer and Corporate Affairs should be a member of the proposed tribunal. It would be his duty to provide Canadians with drugs at the lowest possible price. I am sure the minister and his department would carry out this obligation in a worthy and dedicated manner.

This tribunal will be a very useful mechanism by which the various conflicting interests of Canadians in the drug industry and drug prices will be balanced. This will be a good mechanism to carry out compulsory licencing and all phases of the drug industry will be considered.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I wish to state for the record, Mr. Speaker, that I oppose this amendment. It was very carefully considered in previous debates and was moved by the opposition during the debate on Bill C-190. The Harley committee did not recommend that compulsory licences be granted on the basis of advice by a tribunal.

Granting of compulsory licences involves issues which should be determined by the Patent Commissioner. This will continue to be the situation after this bill carries. The Patent Commissioner is responsible for the administration of this act. He knows the act. He has been appointed on the basis of his knowledge and ability to administer the act. The patent commissioner is in as good a position as a tribunal to make a decision whether a compulsory licence should be granted.

The second reason such an amendment should be opposed is that it confuses the jurisdiction between the Commissioner of Patents, who is responsible for the administration of the Patent Act, and the administration of the Food and Drug Directorate which is responsible for the safety of drugs, licencing of drugs and enforcement of all regulations of the Food and Drugs Act. It would be unwise to confuse the functions of the Commissioner of Patents in the granting of patents and the director of the Food and Drug Directorate in policing the safety of drugs.

The third reason suggested as to why this amendment should be accepted would cause unnecessary and undesirable delays in the granting of compulsory licences. The Harley committee recommended that under no circumstances should the general policy be eliminated with respect to permitting compulsory licence applications for patents relating to foods and medicines. They recommended ways of avoiding delays.

[Mr. Ritchie.]

To establish a tribunal consisting of three ministers would result in a great deal of delay. The commissioner recently heard one application. It involved four days. It would be extremely difficult to get three cabinet ministers together to sit as a panel for three or four days to deal with one application for a compulsory licence. It would be extremely difficult to get the tribunal together, with the result that very few licences would be issued.

In considering this bill and the granting of licences, the opposition continuously overlook the fact that the procedure before the Commissioner of Patents on an application for granting a compulsory licence is what is called in law an adversary procedure. Involved would be the applicant for the compulsory licence, the person referred to as "the copier", and the owner of the patent opposing the application. While I am a young man, I have some experience in the law. I think it can be taken for granted that the patent owner and the person opposing the granting of this compulsory licence would bring before the commissioner every possible scintilla of evidence and argument to oppose the granting of the compulsory licence.

There is no doubt, Mr. Speaker, that when hearing an application for granting of a compulsory licence the Commissioner of Patents would have all of the facts and considerations before him. There will be those in front of him arguing against the granting of that application. I would also like to point out, Mr. Speaker, that under the act if he feels he requires some advice, technical advice or any other kind of advice, the commissioner has the full authority under section 5 of the Patent Act to commission that advice or evidence.

• (8:20 p.m.)

Lastly, Mr. Speaker, it seems to me rather inappropriate that three ministers act as a panel exercising what really is a judicial function and whose decision could be appealed to the courts. It seems to me that the duty of ministers is an administrative and not a judicial one, and it would be rather unwise to confuse those two functions. The Commissioner of Patents is selected on his ability to conduct a judicial or quasi judicial type of hearing, and his decisions are appealable to the courts. It would seem to me unwise to interpose a tribunal of three ministers exercising not an administrative but a judicial function. For these reasons, I feel I must oppose the amendment.

Mr. Lambert (Edmonton West): May I ask the minister one question, Mr. Speaker. Take the case of a patent holder who is appearing before the commissioner to resist the application that has been made by the "copier"—and I put that in quotation marks. If the application fails, are costs awarded to the patent holder, or is this to be an ordinary expense of business to defend his patent against any and all comers? I do not think it would be fair that a man who has worked for something, who has a patent for it and has a proprietary right should be, shall we say, assaulted from all sides and have to bear the cost of defending his patent.

Mr. Basford: Subject to whatever advice I may receive, and I am not an expert on the particular matter that the hon. member raises, I point out that the Patent Act establishes private rights of ownersship. It is the duty of the owner of those rights, to protect them at his cost. This is true of the Patent Act, the copyright Act and the Industrial Design Act. The government, or our society if you wish, provides the machinery for registering the ownership of patents, copyrights or industrial designs, and it is up to the owner to protect them at his cost.

The hon. member has a much greater knowledge of the Income Tax Act than I do, but I believe that the patent holder in such a case would be entitled to deduct that cost as an expense of doing business.

Mr. Lambert (Edmonton West): But at no point in any of our legislation do we extend an overt invitation to the public to attack a patent, as we do in the principle of these amendments.

Mr. Basford: The overt invitation that the hon. member speaks of has been in the act since 1923.

Mr. Lambert (Edmonton West): That is a lot of nonsense.

Mr. Ritchie: I would like to ask the minister how many compulsory licences for drugs have been refused?

Mr. Basford: Mr. Speaker, I think the hon. member asked that question during the committee hearings and received an answer. I forget the answer myself, as perhaps does the hon. member.

Mr. Rynard: As I understood the minister, he said that the Patent Commissioner can ask the Food and Drug Directorate for directions. All we are seeking is that this be made statutory. Why would the minister object to that? I do not think there would be any difficulty with communications because they are all working here on Parliament Hill, and in any case a compulsory licence usually is not granted for months. What we are asking here is that what is done in principle be made statutory.

Mr. Basford: The amendment that I am introducing provides that the commissioner shall give notice to the Department of National Health and Welfare of an application for the granting of a compulsory licence. Therefore, if the Department of National Health and Welfare or its specific agency, the Food and Drug Directorate, feels it should make some observations, comments or arguments to the Commissioner of Patents, it has notice of the application and is free to make the arguments or comments it wishes.

Second, and I think this is the main reason, is the fact that the Food and Drug Directorate is concerned with the safety of drugs, all drugs whether they be patented or not. Therefore, this is where their jurisdiction is; it is over all drugs and the hon. member, who is a doctor, knows that there are all sorts of drugs on the market, some of which are patented and some of which are not patented, but both of which classes are within the full jurisdiction of the Food and Drug Directorate to assure the safety of the drugs and to assure the protection of the Canadian public. The Food and Drug Directorate should not be involved in the granting of patents. It should be involved, as at present, in the sale of those drugs, or in the importation of those drugs, and should be unrelated to the patenting thereof.

Mr. Rynard: Mr. Speaker, I will not press my point further except to say that I think it would be a little more definite if it were made statutory. Then, we would know that the Food and Drug Directorate would have to get in touch with the Patent Commissioner and there would be no slip up. That is all I am asking, but I am not going to press the point.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it. I declare the amendment defeated—

Mr. Baldwin: On division.

Mr. Deputy Speaker: On division.

Amendment (Mr. Monteith) negatived.

Mr. Deputy Speaker: Order, please, the house will now revert to the amendment in the name of the hon. member for Richmond (Mr. Beaudoin).

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I move, seconded by the hon. member for Roberval (Mr. Gauthier):

That Bill C-102, An Act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, be amended by inserting in Clause 1 (4) after the word "medicine" on line 2, page 1, the following words:

"but valid for only five years or more after the granting of such patent."

Mr. Speaker, this amendment should apply to patents granted five years ago or more.

Here is what the Harley committee of 1966-67 reports, and I quote:

There is no doubt whatsoever that the manufacturer who introduces a new drug should be allowed certain time to promote the drug and establish his position in the market following appropriate clinical testing and satisfying the requirements of the Food and Drug Directorate, so that for a period of time at least he retains his monopoly position. There is no doubt also that the introducer of the drug had need of recouping research expenses not incurred by his licensee competitor. What length of time a patentee should be allowed to retain his monopoly is arbitrary. The committee had considered a length of time dating from the time of application for the patent of the particular drug involved, or a term of years following the date the patent issues. In either case, difficulties can be anticipated from artificial delays that may be introduced by the patentee during the course of prosecution of the application which could lengthen enormously the period between date of application and the date the patent issues. The monetary rewards to a patentee as a result of delaying a compulsory licence application can be substantial.

After full considertion, your committee is of the opinion that under the present system, the patentee has ample time to establish and consolidate his position in the market (and thereby recoup his research costs) by virtue of the fact that it takes some 4 to 5 years for the drug to lose its "new drug" status as determined by the Food and Drug Directorate. As explained earlier it is most unlikely that a compulsory licence will be sought prior to the date that the drug loses its status as a "new drug".

[Mr. Deputy Speaker.]

Mr. Speaker, under section 67 of the old legislation, the patent holders must establish manufactures in Canada under penalty of losing their exclusive rights. After the passing of this legislation, parliament will have to see to the protection of the companies which have established manufactures in our country. This drastic change in government policy affects the group that was the most co-operative when the old legislation was in effect by making it impossible for it to compete with the importers because of the higher salaries paid to Canadians and because of the manufactures which were built in Canada with complete confidence.

• (8:30 p.m.)

[*English*]

Mr. Basford: Mr. Speaker, I rise to register my opposition to this amendment. I have received a good many representations over the past eight months since I have been in the ministry to the effect that this five year moratorium under the act should be allowed. I have not accepted the representations made to me. It is the position of the government that, in effect, due to the new drug regulations there is under the Food and Drug Directorate on average an effective five year period of protection. However, we do not feel this should be provided as a statutory right. I have explained that this just happens to be the result of the new drug regulations and is likely to continue for the forseeable future. The fact is that the new drug regulations provide to manufacturers of new inventions and new patented processes an effective, on the average, five year protection period. This is like the tariff; it is simply another remaining element of protection the industry has.

In fact, the full impact of this bill would seem to provide a moratorium for this period. However, I believe the acceptance of this amendment would have an adverse effect on the program of the government and on this bill, which is to change the industry in such a way as to result in lower drug prices for the people of Canada who buy prescription drugs. In the third place, it seems to me it would be contrary to what the hon. member says concerning what has gone on since 1923. This amendment would be really a very, very substantial departure from the principle which has been embodied in the Patent Act since 1923 relating to patents on food and drug processes. The present provisions in the bill relating to domestic manufacture really make no change in the substantive law. They are designed solely to clarify the present powers

of the Commissioner of Patents and, to some extent, to provide an extension of those powers within the existing principles of compulsory licensing which have existed in the act since 1923.

The amendment to provide a positive five year period would be, as I say, a very substantial departure from that principle which we put in our law in 1923. Finally, in registering my opposition, I might point out, that the Economic Council of Canada, at the request of the government, is studying the whole question of patents. Should this bill with which we are dealing now prove to be damaging to the industry in the way in which the hon. member has suggested, I think I can say we can expect that the Economic Council would comment on it. The report of the Economic Council when received will result in my introducing a complete revision of the Patent Act. Therefore, if the fears of the hon. member are real fears, which I suspect they are not, we will have an opportunity at that time to correct the situation. For those reasons, therefore, I oppose the amendment.

Mr. Ritchie: Mr. Speaker, I should like to speak briefly in favour of this amendment. Although I should like to see a provision that it be mandatory that a new drug should remain under the protection of the Food and Drug Directorate for a period of five years, this is an acceptable alternative. I have some doubt of fear that this legislation may well prevent the introduction of new drugs in Canada. Since most of the new drugs are likely to be manufactured in other parts of the world by international drug companies, I think it is of some importance to us that these new drugs be introduced to the Canadian market within a reasonable period of time. Therefore, I believe there must be some incentive for these drug manufacturing companies to introduce their drugs. The Minister has stated quite rightly that most of these drugs would remain under the protection of the Food and Drug Directorate for five years. Indeed, a drug that was not widely used could remain there much longer. If it were to remain there by statute, I feel this would be an incentive for the company to market the drug and promote it energetically, because they would know that for five years they would have a monopoly control over this drug. This would repay them for their research and effort.

If these companies do not have that protection, they could ensure that a new drug would remain under the control of the Food and Drug Directorate by reporting it to the Food and Drug Directorate as being a drug that has serious side effects. They could also reduce the promotion so that the drug would not be widely used, and therefore would not be of interest to other concerns which might be interested in compulsory licensing. I feel that if this amendment were to be adopted there would be much more likelihood of new drugs coming along and being widely disseminated in the market. Otherwise, it is almost certain that the introduction of new drugs might be, to some extent, slow.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I am interested in the concern of the hon. member for Dauphin (Mr. Ritchie) about providing an incentive, I think he said, for the companies to develop new drugs. I would suggest to the hon. member that he read an article written by James Goddard, former director of the Food and Drug Administration of the United States. This article appeared in *Esquire* magazine of March 1969. Dr. Goddard gives some very interesting figures which, if the hon. member for Dauhin really wants to see the facts, will demonstrate completely that he does not have to worry at all about the incentives for these international drug companies about whom he is so concerned. The fact is that they are doing very well. Dr. Goddard puts the figures on the record. He starts at one point by discussing a drug that is quite widely used, a relatively new drug called prednisone. Senator Nelson was discussing with the president of Schering Corporation, which puts out this drug, their product Meticorten. He asked the president of Schering Corporation why that company charged $170 per thousand for the drug when another reputable brand name company, Upjohn, charged only $4.53 per thousand. Schering is charging 40 times as much.

• (8:40 p.m.)

The government of the United States, and New York city, are buying this drug for $4.58 a thousand. They are using it in government hospitals, veterans' hospitals and hospitals run by the city of New York, in the tens of thousands of doses. There is not the slightest evidence that the product they are using is any less effective than the one which Schering sells for $170 a thousand.

Dr. Goddard goes on to talk about those companies about which the hon. member for Dauphin is concerned because they may not have any incentive if we do not give them

these five extra years to make a killing. I bring these facts to the attention of the hon. member for Dauphin. If he does not want to listen to me now, he can read them in *Hansard* tomorrow. This is what Dr. Goddard says about drug companies, and I quote just one paragraph:

> The climate is healthy enough;—

He is talking about the economic climate in these companies.

> The climate is healthy enough; no one will dispute that. Annual reports for 1967 for just a few Establishment companies reveal the state of the industry's health: Merck & Co. had sales of $528 million, a net profit of $89 million on an investment of $25.4 per cent; Smith Kline & French had sales of $260 million, a net profit of $42 million and a return of 26.9 per cent; Eli Lilly & Co. had sales of $408 million, a net profit of $54 million, and a return of 19.2 per cent; and G. D. Searle had sales of $133 million, a net profit of $27 million, and a return of 28.5 per cent.

That was on invested capital. These figures indicate, just as the studies carried out in Canada by the Restrictive Trade Practices Commission, the Royal Commission on Health Services and all the accountants hired by the drug committee of which some of us were members indicated, that the drug companies are making a profit on their investment of twice as much as most other manufacturing companies in this country. This is true of the United States and everywhere in the world where you have the so-called free enterprise system. It is time we stopped worrying about the drug companies; they are doing very well for themselves and do not need the untoward concern which seems to be expressed by some members of this house.

Mr. Nowlan: We need a lot of drugs after you speak.

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

Some hon. Members: No.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

Mr. Deputy Speaker: In my view the nays have it. I declare the amendment lost, on division.

Amendment (Mr. Beaudoin) negatived.

[Mr. Orlikow.]

Mr. Bernard Dumont (for the hon. member for Bellechasse): I move:

> That Bill C-102, an act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, be amended by inserting in clause 1 (4) after the word "licence" on line 19, page 2, the following words:
>
> "and, in the case of an import licence, such licence shall be declared by the Commissioner to be in the public interest and the foreign manufacturing plants shall be opened for inspection".

[*Translation*]

Mr. Speaker, the hon. member for Bellechasse (Mr. Lambert), who will be in the hospital for a few days only, due to a slight indisposition, has been replaced by the hon. member for Frontenac. Therefore, I shall take the liberty of explaining the amendment which was read earlier.

While I take part in the debate on Bill C-102 entitled "An act to amend the Patent Act, the Trademarks Act and the Food and Drugs Act", I just want to express the viewpoint shared by a good number of low income people who are obliged to buy drugs because of their health.

It is generally recognized that the price of drugs in Canada is much too high and therefore that the public cannot always afford them, especially those who sometimes need them most. I am thinking in particular of the old people whose only income is the old age pension and all the other people who simply get a social welfare allowance or some other kind of allowance, and also the low wage earners and the farmers who often get starvation wages.

• (8:50 p.m.)

The Director of Investigation and Research under the Combines Investigation Act has conducted an inquiry the findings of which clearly indicate that the price of drugs in Canada seems unaccountably high.

One of them was to the effect that the prices of drugs in Canada are among the highest in the world. Moreover, the special committee of the house, responsible for studying the price and cost of drugs confirms the results already attained by other public inquiries.

It comes to the conclusion that the prices of drugs in Canada are indeed very high and that some appropriate steps should be taken to bring them down. I quote from the report of the committee, at page 17:

> The physician is the person who has most control over the purchase of drugs, in an indirect but absolute way. The doctor writes his prescription for the drug and the pharmacist has no choice but

to fill this prescription as written (except in Alberta where substitution is allowed). In the hospital the doctor still has this role and in addition may play a large part as a member of the pharmacy committee in the purchase of drugs for hospital use. In addition to this, the rural practitioner whose practice is in a remote area, often serves as the pharmacist and is involved in the direct purchase and re-sale of drugs to his patient.

The members of the committee believe that this report would be helpful, in the first place, to the doctors, but they realize that very few doctors will actually read it. The doctor's time is scarce. Useful as part of the publicity material of drug firms may be, a fair amount of this information goes unnoticed and is therefore sheer waste.

Advertisements in periodicals are not read—

[*English*]

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I rise on a point of order. I have been listening to the hon. member's speech for the past few minutes, and I do not see how the remarks he is making are relative to the amendment moved by the hon. member for Bellechasse (Mr. Lambert).

Mr. Deputy Speaker: I might make an observation at this point. I was following the remarks made by the hon. member for Frontenac (Mr. Dumont) very closely and I must say that I have the same misgivings as the Parliamentary Secretary. The Standing Order relative to the proceedings of the house at the report stage provides that the debate should be strictly relevant to the amendment. I, therefore, ask the hon. member to restrict his remarks specifically to the amendment. Unless I misunderstood what he attempted to say—and I would not like to prejudge his remarks—I make this suggestion to him.

[*Translation*]

Mr. Dumont: Thank you, Mr. Speaker, I was just coming to it.

What I meant a while ago is that if there is no control by means of a license granted after an examination, it will surely be difficult to make the price of products go down. I was precisely saying that the druggist has no alternative when a customer comes in with a prescription specifying a special type of drug.

If, through the amendment under consideration, we hope to be able to provide the necessary inspection, this should have been specified in the detailed way I just mentioned.

Besides, the Harley report recommends that section 41(3) of the Patent Act be amended to include applications for compulsory licenses to import drug products in all forms, subject to inspection of manufacturing facilities by the Food and Drug Directorate and provided such importation is in the public interest as may be determined by the Commissioner. And to this end, the committee recommends that the rules under the Patent Act be amended to permit the Commissioner to seek and receive outside independent expert advice in the determination of this question.

In its fifth report, the committee states that it studied thoroughly the question of granting licences or of registration, in order to determine whether this procedure should be applied.

The main concern of the committee is to provide the safest drugs to Canadians. It feels that licences or registration should be granted only if they result in increasing the safety of drugs.

Always according to the same committee, the Commissioner should only exert its discretionary powers, in the case of compulsory importation licences, when the interests of the public are at stake. "Public interest" means that the necessity to lower the price of the drug for consumers is weighted against the effect the importation licence could have on the Canadian manufacturer involved.

The distinction between the two types of compulsory licences should be maintained. "Unless he sees good reason to the contrary" carries only a discretionary power on the part of the Commissioner and, in that case, "public interest" may or may not be taken in consideration. When a compulsory importation licence is in question, "public interest" is the one and only consideration.

The committee considers that safety must be of paramount importance. The compulsory importation licence should not be granted unless the Food and Drug Directorate has inspected at leisure the manufacturing plants in the exporting country, and has applied the same regulations in force for the Canadian manufacturers of pharmaceuticals.

The committee remained fully conscious of the fact that his responsibilities extend beyond those of the Commissions, because its conclusions must be such that if one of its recommendations were adopted, appropriate balance should be maintained between industry and consumer, and the importance of a

continued increase in scientific research in Canada should be considered.

Therefore, it is in the public interest, as defined in the Harley committee, that the objective should be good quality medicine, but at a price which our less fortunate people can afford.

Consequently, I move, seconded by the hon. member for Richmond (Mr. Beaudoin):

That clause 1 (4) be amended by inserting after the word "licence", on line 19, page 2, the following words:

"and, in the case of an import licence, such licence shall be declared by the Commissioner to be in the public interest and the foreign manufacturing plants shall be opened for inspection.

[*English*]

Mr. Basford: Mr. Speaker, I regret very much that the mover of this amendment is in hospital, and I am sure that all members of the house join with me in wishing him a speedy recovery. I hope that his condition is not serious. I would have hoped also that before he went to the hospital this bill could have become law so that during his stay in the hospital he could have received his drugs at a cheaper price than he gets them now.

I am in complete agreement with the hon. member who spoke in support of this amendment that the paramount consideration must be the safety of drugs that are available to the Canadian public. This has been the position of this government ever since we introduced this legislation. However, while I am in agreement on that paramount consideration, I must say that this amendment is directed toward ensuring that the manufacturing plants of the imported drugs are inspected by the Food and Drug Directorate.

I consider that this amendment is quite unnecessary because of the powers given to the Food and Drug Directorate under clause 5 of this bill, part of which reads as follows:

—the Governor in Council may make such regulations governing, regulating or prohibiting

(a) the importation into Canada of any drug or class of drugs manufactured outside Canada, or

(b) the distribution or sale in Canada or the offering, exposing or having in possession for sale in Canada, of any drug or class of drugs manufactured outside Canada,

I also refer the hon. member to the existing regulations which were passed by the Governor in Council in May of 1968, namely regulations C-01055 and C-01056 governing the importation of drugs and the inspection of manufacturing plants abroad.

[Mr. Dumont.]

So, while I am in complete agreement with the hon. member that the safety of these drugs is paramount and that the authority and power of the Food Drug Directorate to control the importation must be complete, I think the amendment is unnecessary because this power is already contained in the Food and Drugs Act as amended by this bill.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

Mr. Deputy Speaker: In my view the nays have it. I declare the amendment lost, on division.

Amendment (Mr. Lambert, Bellechasse) negatived.

• (9:00 p.m.)

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, seconded by the hon. member for Shefford (Mr. Rondeau), I move:

That Bill C-102, an Act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act be amended by inserting in clause 1 (4), after the word "licence" on line 19, page 2, the following words:

"and subject to a report from the Food and Drugs Directorate of the Department of National Health and Welfare that the applicant has complied with all the provisions of the Food and Drugs Act and that the medicine manufactured under such patent has the therapeutic and pharmaceutical equivalence of the standard product accepted in Canada".

Mr. Speaker, I moved that amendment to Bill C-102 in order to make manufacturers of pharmaceutical products, in Canada and abroad, supply quality products the safety of which could be the therapeutic and pharmaceutical equivalence of the standard products accepted in Canada.

Mr. Speaker, I would not like to waste the time of the house but I do wish to direct some very simple and important remarks to my hon. colleagues on that particular point.

Several commissions have investigated the problem of food and drugs in Canada. Those commissions were set up by the government and the industry in order to draft a food and drugs legislation the regulations of which could cope with modern society and ensure

that the food consumed by Canadians is really safe and will not harm them.

Mr. Speaker, I have already told the house that the problem was very simple. During our lifetime, however rich or poor we may be, we must at a given time, and because we are not in good health, see a qualified doctor, who of course recommends this or that pharmaceutical product.

The patient who very often does not know anything about the quality and safety of those drugs, simply goes to the drugstore and pays prohibitive prices for drugs without being sure of their quality and their safety. He pays for his drugs and returns home.

Here is where the problem lies, Mr. Speaker. First, we are not sure of the quality of those drugs.

Secondly, their cost is too high, even prohibitive, and I know many people in my constituency and in other Liberal constituencies, whose members refrain from speaking on this matter, who cannot afford some expensive drugs that could cure their illness in a very short time.

Bill C-102 is specifically designed to provide a solution to that problem. The government passed some pieces of legislation. For instance, it has done away with the 11 per cent sales tax in order to reduce the price of drugs. The excise tax on imported drugs has also been removed. However, those two measures have proved inadequate.

As a result, we are still in the same situation, and we are still hoping for lower drug prices.

Mr. Speaker, when the committee on health, welfare and social affairs was considering bill C-102, I had the privilege of asking the minister general questions about the possible economic impact of the enactment of Bill C-102.

Among other things, I asked him what would be the economic impact of his bill. The hon. minister simply answered: I must tell the hon. member that we do not know.

I also asked him if studies had been made with a view to ensuring that the measures he proposed would actually bring about a reduction in drug prices. The minister answered: We do not know, studies have not yet been made. But we do hope so.

Mr. Speaker, I feel we are about to take a step that we will regret later on, if we pass this bill without amendment.

That is what happened in the committee because of the dictatorial system of this government. In fact, we have not been able to move any amendment to the bill.

Mr. Speaker, at the report stage, more than 13 amendments have been moved by hon. members since the committee itself was unable to make any amendment, because proceedings were conducted in a dictatorial manner.

Mr. Speaker, what I want to stress the most is the necessity to protect Canadian enterprise as far as the cost of manufacturing drugs is concerned. Moreover, we are not at all certain that this bill will bring about the benefits expected by the minister since he told me himself that no study had been made in that field, that no effort had been made to forecast the economic consequences of the bill, and determine whether it would benefit the Canadian industry or the foreign industry. That is our greatest apprehension.

We are told about compulsory licences for the manufacture of products and of a lot of other factors to be taken into consideration. I, for one, Mr. Speaker, am extremely pessimistic, not only about the future of the pharmaceutical industry in Canada, but also about the quality of the products which will be imported. Mr. Speaker, when I realized that the dictatorial attitude of the present government made it impossible for us to bring forward amendments liable to be accepted by the committee, I told myself that if we could not do more to protect the Canadian industry, we should at least make sure that imported products are similar in quality to the Canadian products and that the safety of drugs is guaranteed on the Canadian market in order to protect the interests of consumers.

That is why I dealt with that aspect of the question, since I felt it was impossible, due to certain measures and to the procedure, to protect the Canadian industry to a greater extent. After having studied the problem of quality of products, I moved the amendment that was read a minute ago and from which I shall quote an extract:

—the Food and Drug Directorate of the Department of National Health and Welfare—

This body must make a report on all applications from foreign industries after consideration.

I continue to read further:

—that the applicant—

that is, the foreign industry, be it American, European or otherwise.

—has complied with all the provisions of the Food and Drugs Act—

Needless to say that I am referring to the Canadian act. The medicine being offerred us and which will enter into competition with the Canadian product must comply

—with all the provisions of the Food and Drugs Act—

—and even compare with the Canadian medicine patented in Canada.

Mr. Speaker, that is the reason why I believe that such an amendment is most acceptable to the house, since it has only an economic impact and, above all, is designed to protect the Canadian consumer as regards the quality of the product.

I take the liberty, at this stage, to quote a recommendation from the Boyd Committee, that bears out my contention. Besides, I drew my inspiration from it while preparing my motion, a very acceptable one, I believe.

Therefore, I shall quote the said recommendation from the Boyd Committee:

• (9:10 p.m.)

[*English*]

In Canada, the majority of these drugs are no longer subject to the "new drug" regulations and there is no obvious way that this essential evidence for therapeutic equivalency can be required. The Boyd Committee, therefore, recommended "... that when a new drug is manufactured and sold by a manufacturer other than the original manufacturer whose new drug submission has been processed in the usual way, the products of the second and subsequent manufacturer should each be considered as new drugs and should each be required to meet the regulations on new drugs." Without implementation of the recommendations of the Boyd and Hilliard Committees, Canadian physicians will lack the assurance that the "licensed" products will produce the desired clinical effects.

[*Translation*]

Mr. Speaker, there is no need to say more about such an important matter. I could quote throughout the evening and tomorrow the recommendations of the Boyd committee, the Harley committee and those of other committees which have dealt with the food and drugs question.

In my opinion, this is a basic point in the debate on Bill C-102. We must make sure—and the minister will agree—that the quality of imported products will be equivalent to that of the products already on the Canadian market.

[Mr. Fortin.]

I think that this is the least we can demand from foreign industry. It must assure us that the products it will put on the Canadian market will be of the highest quality or at least of equivalent quality to the ones already on the market.

Mr. Speaker, if we cannot prevent foreign competition from destroying Canadian pharmaceutical companies, since the minister is friendly with foreigners and the opponent of Canadians, let us ensure at least the quality and the safety of the product in order to protect the Canadian consumer.

That is why, Mr. Speaker, I act as the spokesman of Canadians who cannot afford to buy expensive drug and who will have to be content with the first drug they find at the drugstore.

Mr. Speaker, we have to make sure that Canadian consumers will be protected and will be in a position to buy quality products.

For that purpose, the bill must clearly state that imported drugs have the same therapeutic properties as similar Canadian drugs.

Mr. Speaker, I do not wish to extend the debate unduly, because I would like to enable other members the opportunity to state their views. But I would really be pleased if the minister would look favourably upon this motion, not only to make sure that Canadians will be protected, but also that the products themselves will be of a good quality. In fact, the bill does not guarantee that imported products will have the same therapeutic properties as similar Canadian products.

Mr. René Matte (Champlain): Mr. Speaker, before the question is put to the house, I would like to point out how serious is the matter which the hon. member for Lotbinière (Mr. Fortin) has just raised.

In my opinion, such questions should not be taken lightly, and I think the house would act in earnest by giving special consideration to the proposed amendment.

I would feel extremely disappointed if it were disposed of hastily as other previous amendments have been, and if the government, relying on its majority, simply decided not to accept it.

I believe the remarks of the hon. member about the Canadian drug industry and everything that is involved should prompt the house to give serious consideration to the possibility of passing this amendment.

[*English*]

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to add a few words on

the subject of clinical equivalency in support of this amendment. First of all, the minister has ignored entirely the Hilliard and Boyd committee reports and also the report by the Harley committee. Notwithstanding that, this is a very important point. When the federal department of consumer affairs proposed this legislation there was well documented evidence that this sort of thing could have a serious impact on the practise of medicine. A physician's primary concern is always with the quality of the product he is using and its clinical efficiency, or its clinical equivalency which is the same thing. This is especially true of new drug discoveries.

It seems to me that in this bill the minister has ignored entirely or has strangely discounted therapeutic equivalency. He has ignored the publications of the Food and Drug Directorate scientific staff, as well as the recommendations of the Hilliard and Boyd committees.

Even though a drug may have quality and safety, it may not have clinical equivalency. That point was brought out in the committee. In this regard one drug that was referred to was chloromycetin, but there are many others. Dr. Goddard, of whom mention was made tonight by the hon. member for Winnipeg North (Mr. Orlikow), put on the record the fact that there are something like 24 drugs which are quite similar in quality and safety. But the Food and Drug Directorate has informed us it does not propose to make any additional tests over and above a chemical analysis. Many of these 24 drugs are antibiotics. I put some of them on the record this afternoon and I am not going to repeat them, but it does appear to me that the minister has brushed off the importance of this matter.

The minister indicated that lack of therapeutic equivalency among certain types of drugs was grossly exaggerated, but when somebody's life is at stake gross exaggeration can get you into a lot of trouble. Some of these drugs are used in cases where time is of the essence and you have to be sure the drug you are using will maintain proper blood levels and possesses the therapeutic equivalency that you expect of it. Physicians are being encouraged by Bill C-102 to use cheaper drugs, and without this assurance I fail to see where we are making progress. The public will be asking for cheaper drugs and how in the world are physicians to be sure those drugs are safe? That is the crux of my point. Any bulletin that shows merely the results of the chemical analysis of a drug will not show whether that drug is clinically effective and fulfils all necessary requirements. Therefore, I submit that the amendment before the house is a good amendment and ought to be accepted.

• (9:20 p.m.)

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, the amendment before us is more important than some may believe. It does not deserve to be passed in a hurry, for a very important reason: we must realize that an imported product is not necessarily one of quality even if it bears the same number or the same name as the similar product made in Canada.

The amendment of the hon. member for Lotbinière (Mr. Fortin) simply asks for a serious investigation on drugs to determine whether a product made under a patent has the same therapeutic and pharmaceutical properties as the standard product approved in Canada.

In my opinion, we must insist—and that is why I support the amendment—without reservation—before approving the import of a product, that it is carefully analysed to ascertain that in every respect it is the equivalent of the similar Canadian product.

Mr. Bernard Dumont (Frontenac): Mr. Speaker, the amendment that I moved for the member for Bellechasse (Mr. Lambert) who will, we hope, be given good brand name drugs in order to return Monday in good health, has been defeated. I believe the minister should give careful consideration to the amendment moved by the member for Lotbinière (Mr. Fortin) who was a member of the committee and who stated that all amendments moved in the committee had been defeated by most of the members of an intransigent government. I cannot believe that in this house tonight the Creditiste members and the Conservative member who just spoke are the only ones in favour of this amendment.

Here is the wording of the amendment, and I quote:

"and subject to a report from the Food and Drugs Directorate of the Department of National Health and Welfare that the applicant has complied with all the provisions of the Food and Drugs Act and that the medicine manufactured under such patent has the therapeutic and pharmaceutical equivalence of the standard product accepted in Canada;"

Mr. Speaker, it seems to me that such an amendment deserves the full attention of the minister and an expression of his opinion.

The amendment I moved earlier on behalf of the hon. member for Bellechasse (Mr. Lambert), and which I had requested, is authorized under the law. I would like at least the minister to give us a good reason for refusing an amendment which I find so reasonable.

Therefore I ask members of the opposition to consider this amendment seriously, express their opinion and support the stand taken by the Ralliement créditiste.

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I will try to be brief in dealing with this very important subject. Everyone of us has been ill at one time in his life. Everyone wants to be in good health but from time to time, we have to resort to medicine to regain health.

The amendment moved by the hon. member for Lotbinière (Mr. Fortin) is perfectly logical since the hon. member demands that imported medicine be equal in quality to Canadian products.

This amendment speaks by itself, as it is my opinion, and the reports and briefs which have already been tabled in Parliament will testify to this, the federal government has always been too generous in this field.

The complaints we have received indicate that this sector of industry has been poorly supervised. In fact, when a similar product is introduced under a different name, the regulations do not apply any longer.

The same situation prevails in the field of food. For instance, very often the container will bear an inscription that says the minimum weight of the product must at least be mentioned.

The federal government does not control strictly enough imported drugs or food.

Mr. Speaker, I think the amendment moved by the hon. member for Lotbinière should pass and all the more so since we can read in the report of the Special Joint Committee of the Senate and the House of Commons, Proceedings No. 39, dated March 21, 1967, at page 3313, in a brief presented on February 7, 1967 to the Prairie Provinces Commission on cost prices by Mrs. Florence Elgaard, President of the Provincial Association of Alberta, affiliated with the Consumers Association of Canada, the following recommendation made to the Consumer Credit Committee: protect the consumers. This is our role as members of parliament. We should, therefore, begin by protecting the Canadian manufacturers, so that they do not have to meet the competition

[Mr. Dumont.]

of other products that are not of the same quality and do not offer the same protection to the consumer.

Speaking of the consumer's rights, in this brief presented on February 7, it says that the consumer is entitled to: First, security when he buys a product; then, that he must be informed on the quality of the products. He has the right to choose the quality of various products.

And here we find the following recommendations: That the consumer has the right to have proper labelling on different drugs concerning toxic substances that these drugs, imported or not contain; that the consumer has the right to demand clearer indications about the quantity of the ingredients contained in the various drugs imported or made in Canada; that the consumer has the right to know the source of these products; that he also has the right to be protected as far as to the future use of the drugs he must buy and the weight and other measures that are put on the various containers.

Later on, on page 3133, in the same submission, are quoted instances of the conditions that the committee could or could not ascertain at various stages of its enquiry and in different provinces concerning some products. The articles in question are mostly food products, and I quote from the said submission:

> We refer also to Nabisco Shredded Wheat. It happens to be a timely and available example of a common practice by industries, and we review it in some detail. This product has been around for a long, long time, and packaged in quantities of 12 and 18 one-ounce biscuits. The price of this package was 43 cents, purchased in 1967. The previous 18 biscuit package was also 43 cents. However, this latest purchase contains 15¾ ounces, while the previous 18 biscuits package held 18 ounces. In the 18-oz. package the product cost 2.38 cents per ounce, in the 15¾ package the product costs 2.73 cents per ounce. At the earlier price rate of 2.38 cents per ounce, 15¾ ounces should cost 38.64 cents or 39 cents.
>
> What does the customer receive for this 4 cents price differential? There is, on the new package, information that the customer can obtain a handy "Space Saver" for $2.00 and 2 boxtops, mailed to a Toronto address.

Now, all along that submission, it was demonstrated that still the Canadian consumer is not protected for quality, identification, weight and quantity of the product, and that is the reason why the amendment proposed by the hon. member for Lotbinière (Mr. Fortin) is perfectly in order considering that we have been elected to protect the Canadian consumer rather than the importers or the Canadian or foreign manufacturers.

We should first protect the Canadian consumer, and next, the Canadian manufacturer. Given that protection we owe to the Canadian people, we must see to it that the drugs imported have the therapeutic and pharmaceutical equivalence of the standard products accepted in Canada.

I would finally ask the minister to pass legislation as was done in England in 1968 as reported by "*the Foreign Trade*" of April 27, 1968. In fact, Great Britain has voted regulations similar to the ones proposed to-night by the member for Lotbinière and I quote from "*the Foreign Trade*":

• (9:30 p.m.)

[*English*]

Misleading claims and descriptions of composition and additives. In this field the main instrument is the Food and Drugs Act 1955. This deals broadly with prohibition of the use of any injurious additives and the sale of unsound food and gives local inspectors powers to prosecute sellers or packers of food "which is not of the nature, substance or quality demanded".

[*Translation*]

Mr. Speaker, England has voted on food and drugs regulations quite similar to the ones suggested by the honourable member for Lotbinière in order to protect Canadian consumers and manufacturers and to make sure that the imported products will be of the same quality as the Canadian products.

Mr. Henry Latulippe (Compton): Mr. Speaker, I am glad of the opportunity to ask a little more justice for Canadians.

Having studied the documentation available on food and drugs, I think that such a matter deserves consideration and that we must stand up for the Canadian consumer.

I think that the increase in the volume of imported food and drugs and the reduction of their quality authorize us to state our views and compel us to assume our responsibilities.

In my opinion, the Canadian citizens are insufficiently protected, but the government seems reluctant to take the necessary steps.

We must admit that the situation is of the utmost importance and that the amendment of the hon. member for Lotbinière (Mr. Fortin) is not only logical but should be adopted because not only would it not do any harm to anyone but it would also protect somewhat the Canadian consumer who has not enough purchasing power to buy the products.

Moreover, the consumer is the victim of the price increases and loss in product quality. The minister concerned should help us get the amendment adopted.

Not one of the amendments proposed until now has been adopted because we are under the government's dictatorship.

Mr. Speaker, those in the house who say they are anxious to help society should support the amendment which would serve the interests of all Canadian taxpayers.

[*English*]

Is the house ready to accept this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

Amendment (Mr. Fortin) negatived.

Mr. Monteith: I move:

That Bill C-102, an act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, be amended by deleting in Clause 1 the words "invention and for such other factors as may be prescribed." On lines 28 and 29 on page 2 of the bill and substituting therefor:

"invention with due regard for the cost of information to the professions by the patentee; with due regard to the cost of new drug submissions to the Food and Drug directorate by the patentee; with due regard for the expense of drug systems recall and continuing information to the professions and for such other factors as may be determined."

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

Some hon. Members: No.

Mr. Ritchie: There has long been considerable dispute with respect to royalties awarded for a compulsory licence. It was argued that the royalties awarded by the Commissioner of Patents bore no real relation to the cost of research, promotion and other factors affecting the sale of drugs. I would like to point out that there will be no desire by any drug copier to seek a compulsory licence for a drug unless it has already received wide acceptance and it is profitable for him to do so.

In addition to the matter of research, the cost factor of information to physicians, new drug submissions to the Food and Drug Directorate and drug system recall should all be considered in the matter of royalties. The bill makes provision in the royalty award for

research. However, this will be very difficult to arrive at with any degree of fairness because most of this drug research is international, and because a drug company investigates many thousands of compounds. The claim of the industry is that only one in every 7,000 compounds yields a useful drug. As about 90 per cent of the new drugs come from laboratories of the pharmaceutical industry it is very important that research be rewarded in some way and this, as I say, will be very difficult.

• (9:40 p.m.)

On my second point of drug information to physicians, pharmacists and the general public, there is an idea abroad in lay circles, and I am afraid sometimes in the Department of National Health and Welfare, that all drugs are immediately picked up by physicians and immediately gain wide use when their therapeutic value is ascertained. However, for nearly all drugs this is not so. It requires a great deal of promotion, effort and expense for a new drug to be accepted by the physician and the public.

Unless this promotion is to a level that gains the drug a wide acceptance, there will be no requests for a compulsory licence because the copy houses will have no reason or wish to invest any money in promotion on their own. Therefore, in any rewarding royalty, particularly in a country like Canada where we have very little original research, I think that the cost of this promotion should be carefully assessed.

There has been a great deal of discussion about the cost of promotion and advertising of drugs, and there is widespread feeling this cost is too high. Here again I think the minister will agree that it is wise not to generalize, and that each case will have to be taken on its own merits.

Pravda, in an article concerning information on new drugs, has said:

> Meanwhile, the few new drugs on the market are not widely used because either the workers in the medical field and the doctors do not even know of their existence, or have only a very faint knowledge of their possible uses.

So, we can see that even in Russia, where the pharmaceutical industry cannot be accused of being profit minded, they find it necessary to promote drugs. With this in mind, I believe that each individual drug will have to carry a different degree of importance.

In the area of the cost of submission of a new drug to the Food and Drug Directorate, this also should be considered, particularly if a new drug has just been removed from this classification. It seems to me in that case the copier should pay something towards the cost that was necessary for the drug to be inspected by the Food and Drug Directorate, as otherwise the copier will not have this expense.

As is probably well known and recognized, new drugs are carefully "vetted" by the Food and Drug Directorate as to their safety, but the onus to prove that a drug is safe is on the manufacturing company. This involves an enormous amount of effort on the part of the drug company, more of course for some drugs than for others. It takes years of animal and clinical research on the part of a drug manufacturing company to prove that its drug is safe and useful. Indeed, the scientific information on a single drug may fill many books the size of large telephone directories.

Even if a drug has been O.K.'ed by the Food and Drug Directorate, the directorate requires a careful and continuous reporting of its side effects because many drugs that seem to be quite safe are in time found to be not quite so safe. Most of the expense of this falls on the drug companies, and therefore I feel this could well be considered in the royalty set out by the Patent Commission.

Finally, I wish to mention the matter of the drug recall systems that must be set up by a company in order to make certain that if any drug is found deficient it can be immediately recalled with some degree of accuracy. The Company must make sure that even two dozen pills found in a physician's desk in the far corners of our country or in a remote drug store will be returned on short notice. Unfortunately, this is expensive. It is a problem that has existed and which has been a considerable disadvantage to small drug companies having limited resources.

In closing, Mr. Speaker, I would like to draw the minister's attention to the Manual of Office Practice Patents published by the Patent Office of Great Britain. Section 3737 gives a suggested course for making up the royalty. I believe that the points outlined would be useful, and would make a royalty on a compulsory licence fairer. The British experience with compulsory licences is that the royalty has been set very much higher than in Canada, and this actually encourages competition between drug companies to a greater extent than setting a royalty at almost a give-away point as seems to be the case in Canada at present. I would commend this to

the minister as a directive to the Patent Commissioner in the setting of a royalty for the compulsory licensing of drugs.

Mr. Saltsman: Would the hon. member permit a question? Is he suggesting that all expenditures on the cost of information, regardless of how extravagant and unnecessary they may be, be reimbursed?

Mr. Ritchie: Mr. Speaker, the answer is that I feel each drug has to, shall we say, carry its own weight. If it is felt that the promotion is over expensive, then the Commissioner would cut back the amount allowed. I think we have to take into account and give some weight to this factor in awarding the royalty.

Mr. Saltsman: As a further question—

Mr. Speaker: Order, please. The hon. member is asking questions. I wonder if the hon. member for Dauphin is prepared to receive questions after he has completed his contribution to the debate.

Mr. Ritchie: Mr. Speaker, I will answer this question also, if I can.

Mr. Saltsman: I wonder if the hon. member has some suggestion for the establishment of criteria of what constitutes a fair selling price and a fair cost of providing information?

Mr. Ritchie: I have no real percentage formula. As I say again, it will have to depend on the individual case, but I bring this forward as I think promotion is necessary. I think the hon. gentleman would agree with this, and it should be given some weight in the awarding of this royalty.

Mr. Speaker: Is the house ready for the question?

Some hon. Members: Question.

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

Some hon. Members: Yea.

Mr. Speaker: Those opposed will please say nay.

Some hon. Members: Nay.

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

Amendment (Mr. Monteith) negatived.

Patent Act—Trade Marks Act

Mr. Gilbert Rondeau (Shefford) I move:

That Bill C-102, an act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act be amended by inserting in Clause 1 (4) after the word "prescribed" on line 29, page 2, the following words:

"that the Commissioner may at any time revoke such a licence, where the terms specified in the application are not complied with."

[*Translation*]

Mr. Speaker, in my opinion, the amendment is very important. In fact, it is predicated upon the same principle, that is the protection of the consumer.

It reads as follows:

—that the Commissioner may at any time revoke such a licence, where the terms specified in the application are not complied with.

The same problem always arises. We have read numerous briefs presented to the Minister of Consumer and Corporate Affairs (Mr. Basford) and there is not yet a code to protect the consumers.

A code should have been adopted under which rules would have been clearly defined so that consumers could be properly protected. At present, many companies delight in putting on the market toxic chemicals that are health hazards.

Many companies are happy to sell "scrap" and I am shocked to see tonight that the government wants those products to remain on the shelves. Perhaps we asked ourselves: Do we have a "scrap" government?

We should like the Canadian consumer, who must pay high prices for his drugs, to be able to get quality products, and so be able to differentiate between quality products and "scrap" products by means of a code or regulations established in his favour.

A few years back, that is in 1967, an important committee has studied all the aspects of the manufacturing and sale of different products. Briefs were submitted by consumers associations from all the provinces. Some manufacturers complained that they had to meet the unfair competition from other unscrupulous companies which would put anything on the market and use packaging system designed to deceive the public. Prices were not correct considering the weight, the measure, the quantity, and the quality indicated on the label.

• (9:50 p.m.)

[*English*]

Mr. Basford: Mr. Speaker, I rise on a question of order. While undoubtedly the hon.

member's remarks are of great interest, I question their relevancy to the amendment before the house.

[*Translation*]

Mr. Rondeau: Mr. Speaker—

Mr. Speaker: I will listen a little more carefully to the hon. member and I will be able to determine if he remains within the ambit of the amendment under consideration.

Mr. Rondeau: I am very grateful, Mr. Speaker, but in my opinion, the minister misunderstood me if he thinks that I am not dealing with the subject. Indeed, if we want the licence of a manufacturer to be subject to cancellation, and that could be done quickly, we should establish a quality code and regulations providing for cancellation if he does not comply with this or that condition.

We have no quality standards. The honourable Minister of Consumer and Corporate Affairs (Mr. Basford) has not established any which would compel the companies to abide by some regulations rather than others.

Anything and everything is being written on the labels, anything and everything is being sold. It would take too much time and it would be too difficult to quote in this House all recommendations made to the Committee dealing with consumer credit. I would like the minister to tell me what recommendations he or others have accepted to deal with those companies that have made complaints.

As for packaging, prices, labelling of dangerous products, Mr. Speaker, there are dozens of complaints mentioned in this report.

In order to protect the consumers of Canada and even the honourable members who have voted for junk instead of quality, I wish we had some legislation allowing the minister, when the need arises, to revoke the licenses of those who do not follow the regulations.

I shall have other opportunities, during other debates perhaps, to give proof of the abuses not to say the thefts perpetrated by certain companies against the consumer. It is unfortunate that the honourable minister has not made any regulations allowing him to revoke the licenses of those manufacturers and protect us against such abuses.

[*English*]

Mr. Basford: Mr. Speaker, I rise on a question of order really because it is a few minutes to ten o'clock and I wish to rise before it is ten o'clock. There have been some discussions. I am not quite sure of the nature of those discussions, but we are making very good progress on this bill and I am wondering whether it is the feeling of the house that we should sit until eleven o'clock to deal with these amendments.

Some hon. Members: Agreed.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I think we have had enough of these late nights. If for no reason other than the sake of the staff, I would say no.

[*Translation*]

Mr. Rondeau: Mr. Speaker, I understand that the minister would like to speed up the House's business by having this bill passed tonight; personally I would like us to make some progress after the bill has been adopted. Whether we pass it tonight or not, does not make much difference. That is why I moved this amendment. I wish the minister would sleep on it, and on these words, may I draw your attention to the fact that it is now 10 o'clock.

[*English*]

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, since it is ten o'clock, may I ask the acting house leader whether it would be the intention of the government to return to this bill tomorrow in the hope that, after he has had a good night's sleep, he might be more amenable toward the amendments, or are we to go on to the item in respect of the hazardous products.

Mr. Basford: We will be proceeding with this bill tomorrow, which I would hope we could complete, and also the bill in respect of hazardous products.

PROCEEDINGS ON ADJOURNMENT MOTION

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

LABOUR CONDITIONS—ALTERNATIVE TO COMPENSATE FOR CANCELLED WINTER WORKS PROGRAM

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I do not think it will be necessary for me to take my full time tonight. I wish to

allow the minister time for a complete answer. I do not see him here, but perhaps his parliamentary secretary is here and ready to reply.

I should like briefly to review the history of my question for the house. First, I asked a question on March 12 and Your Honour at that time ruled my question out of order as being more appropriate for a statement on motions. I therefore spoke on the matter again during the adjournment debate on March 17 and much to my surprise there was no one present on the government side to reply to my question. Neither the Minister nor his parliamentary secretary were present at that time. Accordingly, I rose the next day, Tuesday March 18, on a question of privilege and protested as vigorously as I could about the spurned fate of my question. At this point there was still no notice by the government. All remained calm and serene, so again I found myself unrequited. It has been said that hell has no fury like a lover spurned, so I was furious on Tuesday and remained so on Wednesday the 19th, whereupon I rose during the question period and asked the identical question I had on March 12. I was therefore not surprised, because of the consistency shown by Your Honour toward this type of question, to be ruled out of order again.

Again, I posted the question for debate for last Thursday night. The question then became, at least to me, a "cause célèbre", but before I could "célèbre" my cause I received a call from the Minister's office explaining the Minister was hors de combat and would I please postpone my question in order to allow the Minister to prepare what was termed at the time of the phone call to be a good answer. I really do not know what that means, but I am looking forward to hearing it. This I readily agreed to do and that is the reason I am here tonight. I should like to read my original question, which was asked on March 12:

> Mr. Speaker, my question has to do with the critical unemployment situation, and recent reports to the government by the Canadian Federation of Mayors and Municipalities. Has the government any alternatives to recommend in respect of the unilateral cancellation of winter works projects in order to assist municipalities in the area of water utility pollution control and housing projects?

• (10:00 p.m.)

During the debate which followed on March 17, I cited the following matters: various protests from the municipalities that I represent over the unilateral cancellation of the winter works program; mounting welfare rolles in the municipality in which I live, Coquitlam; severe unemployment in British Columbia of 6.6 per cent, according to the Dominion Bureau of Statistics figures of March 13, and the apparent contradiction between the cancellation of the winter works program and the recommendations of the task force on housing for municipal servicing of land. It seemed to me a contradiction that we would cancel the program that would provide the very things which the task force recommended.

I shall not elaborate on these matters, because I have done so on earlier occasions. But I would like the minister to consider a further matter. We know there is high unemployment generally. We are aware of the problem facing university students with regard to summer jobs. We know that university students compete for job opportunities with the regular work force in the summertime, even though there are then expanded job opportunities. The situation will probably be of increasing concern as we proceed through the years.

Therefore, I ask the minister whether he has considered consulting the provinces with a view to providing some kind of assistance with regard to the fee structure and living and travel allowances of university students, so they will not be required to compete with heads of families. This situation should not be allowed to exist, because of the very nature of our economic forces. I believe the first priority of students is to study. As long as this situation persists, we will have this constant conflict.

I think we all agree that because of dissent, and all the rest of it, the image of university students is not at its highest point. I think we are moving into the situation where we shall have to provide free tuition and other amenities for university students so they will not need to compete with the regular work force, especially during times of high unemployment. I ask the government to outline with all possible speed, either this evening or later in a statement on motions, specifically what program it has in mind to assist municipalities with capital works in order to overcome the current crisis in Canadian employment.

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, I want first of all to offer an apology to the hon. member for Fraser Valley West (Mr. Rose) for the fact that he did not receive an immediate reply the first time he raised his question on the adjourn-

ment debate of March 17. The reason he did not receive a reply at that time was that the question was referred to the wrong department, and it was not noticed until afterwards that his question was addressed to this department. I think the hon. member will agree that after someone from the department spoke to him it was decided that we should give an answer, but then he had to go to his riding. Only since that time have we had an opportunity to consider this matter. The hon. member may consider himself very lucky in that he has raised this subject four times. That is quite a record.

I hope to make amends by convincing the hon. member and the house of the wisdom of the government's decision not to renew the municipal winter works program in 1968-69. The program was becoming less and less effective and inevitably inefficient, and even abuses, were cropping up. The many examples of abuse quoted by both provincial and federal auditors are well known to the public. During the last few years, attempts were made to salvage the program as an effective economic tool. The last attempt was made in the fall of 1967 at the federal-provincial meeting of the ministers concerned. The provinces were invited to suggest viable alternatives but none came forward.

It also became quite evident that municipalities had fewer useful projects to propose for federal assistance under the program. If the hon. member has any doubts about this trend, I would remind him that last winter, 1967-68, only 6,532 workers were hired for winter works in the hon. member's own province of British Columbia. This was almost exactly half the 12,944 workers so employed in 1963-64.

The hon. member referred to his home municipality, the district of Coquitlam. Our records indicate that in 1964-65, approved winter works projects resulted in 590 additional jobs. Last winter, that is in 1967-68, the comparable figure was 170 jobs. For the city of Port Coquitlam, the corresponding figures were 189 in 1964-65, and 23 in 1967-68. It is quite clear, therefore, that the municipal winter works incentive program was no longer as effective as it might be.

When the municipal winter works program was introduced in 1958, there was no other national program of any significance designed to cope with seasonal unemployment. In that year, the federal government subsidized the training of only 3,500 unemployed persons, with a total expenditure of half a million dollars. Since that time, the retraining of adult members of the labour force has become a major economic tool of the federal government. In the current fiscal year, the federal government will finance the training and retraining of some 300,000 adult workers, the great majority of them during the winter months, with a cost to the federal treasury of $200 million.

In the winter or 1967-68 the federal government spent some $25 million on the municipal winter works program. This amount is not forthcoming to the provinces and municipalities during the current winter. But in its place, the federal government is spending $50 million more on training of adult workers, a substantial proportion of them being unemployed in the winter months.

Mr. Deputy Speaker: Order, please. I regret to interrupt the parliamentary secretary but the time allotted to him has expired.

POST OFFICE DEPARTMENT—EFFECT OF INCREASED RATES ON PRINTING INDUSTRY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, my question was based on the submission by the Graphic Arts Industries Association, an organization representing 525 producing companies. This is the most serious analysis of some of the damaging fallout from the Postmaster General's (Mr. Keirans) actions and decisions. It is also a warning, and a cry for help. It sets out a painful litany of the economic and social damage consequent upon the stiff hikes in postal rates and the processes of reclassification. This is a statement from people in the industry, people who should know.

For a long time, the minister told us how happy the letter carriers were with the new sorting procedures. Even when their spokesmen were proclaiming publicly that they were not satisfied, we were told that the measures really were popular. It appears now that the minister knows that not all is rosy in the garden. We have been told for a long time how slight the effects on publications will be. The minister told us this. But those in the publishing business have an entirely different story. Again I say, perhaps they might know. The Minister of Industry, Trade and Commerce (Mr. Pepin) is interested in the encouragement of industrial growth and the preservation of existing industry. What will happen to all sorts of allied industries, from pulp to machine parts, if there is a decline in the

important printing industry? There is little use in the Minister of Manpower and Immigration (Mr. MacEachen) setting up new job hunting offices if, through the actions of the Postmaster General many skilled workers are thrown out of employment. The minister, of course, has responsibility for his department. He seeks to make it efficient, and so he should, but he cannot disassociate himself from his collegiate responsibility as a member of a government which should have the economic well being of all Canadians on its mind.

There seems to be a growing development of administrative separatism in this government. The Minister of Transport (Mr. Hellyer) rightly suggests that the 11 per cent sales tax on building materials should be removed. The Minister of Finance (Mr. Benson) has different ideas. The printing trade goes to the Minister of Industry, Trade and Commerce for redress from a situation resultant from actions of the minister's colleague, the Postmaster General. It is my hope that both ministers will heed this call for help and that we will not have to produce a lengthy casualty list of extinct publications at some future date to convince the minister that he did not in fact give sufficient thought to the consequences of his drive to make the Post Office patrons put that department in the black. He should have listened to these people. Printers should have been given a chance to air their views and present their information before a house committee.

• (10:10 p.m.)

Things are so serious that the spokesmen for the industry should still be called before a committee before it is too late. The Post Office has been running into trouble for months. Large and important sectors of society are fearful of the results of the new rate. The communication of ideas from Canadians to Canadians is in real jeopardy. The threat from United States competition, always great, has vastly increased. The whole problem should be thoroughly reviewed before it is too late. It is not enough for the minister to say he knows better. The dismal facts are given in this brief. Publications will die. Unemployment has already been caused across the country, and more will follow. Some trade unions have already indicated their intention to mail from the United States, to Canadian addresses meaning that the Canadian Post Office would have to deliver their publications without a cent of postage revenue. We have the story now from various places in the country and the record is not a very happy one. One medium-sized company reports its postage costs up by 257 per cent. Three magazines have been eliminated and three others cut down; there have been staff reductions.

The United Church Publishing House reports postage costs up from $40,000 to $170,000, a loss of advertising revenue, and lay-offs affecting staff. We find that in British Columbia a small printer reports postage costs up from $5,613 to $18,547. Two publications have been killed and employees laid off. The War Amputations Association of Canada, a most wonderful organization well known for its key tag service, reports an estimated increase of $90,000. The future of 42 war amputees is jeopardized.

So, it goes on down the line. I read in the *Globe and Mail* of March 26 that a magazine established in 1935 and having a circulation of 4,600 is folding up because of the massive increase in the postal rate. Another article carried the heading: "Canadian Journals forced into U.S.?" This is a serious situation, and in this context the document to which I have referred is a most valuable one. It is not a happy document but it is one to which heed should be paid very soon before we get into real trouble.

Hon. Eric W. Kierans (Postmaster General): I always enjoy the Cassandra-like remarks of the hon. gentleman. I think the members of the Graphic Arts Industries Association, the printers, the artists, the designers who are all part of that organization, charge all their costs to their clients. They charge even more than their costs; they add an amount for a profit. But apparently they are not ready to admit that the letter carriers, the sorters, all those 48,000 people who work in the Post Office, should also be paid for their work and should be paid in accordance with the cost of carrying out their duties, and not be a burden upon the general taxpayer.

All these people claim they have a particular right to dig into the pockets of the Canadian taxpayer. They are unwilling to concede that the costs of the Post Office can be legitimately charged for and legitimately priced. They prefer that these subsidies should be hidden, that the taxpayer should pay. And the taxpayer himself is the vulnerable person here. He has no organization as have the members of the Graphic Arts Industries Association or the publishing industry, all of whom I have been prepared to see, and have seen. I have listened to them and talked to them. I have read the report, although, as the hon. gentleman suggested, it was sent not

to me but directly to my colleague the Minister of Industry, Trade and Commerce (Mr. Pepin). I recall that litany and say it is greatly exaggerated but the hon. gentleman this evening has exaggerated it even more.

I might remind the hon. member that the direct mail printing industry, having repeated all these complaints last October and November, now admit they foresee a 10 per cent increase in direct mail usage next year, not a decline. Perhaps people in the direct mail industry will go out of business, perhaps there will be a reorganization, I do not know; but as I say, the industry foresees a 10 per cent increase in printed material sent by direct mail despite increased costs.

The hon. member is really asking me to accept an increase in the deficit of the post office of $20 million, $30 million or $40 million. When he asks me to do that, I suggest he should also make clear his position on whether we should reduce by a similar amount equalization payments to the provinces, subsidies to farmers, aid to Prince Edward Island, or aid to education, to health or to welfare. Because the same $20 million will not cover all these fields.

FISHERIES—SEALS—DISPOSAL OF NORWEGIAN SHIP UNDER SEIZURE

Mr. Frank Howard (Skeena): Mr. Speaker, when I set this question down for an adjournment conversation I did not realize that the fisheries and forestry committee were scheduled to meet this evening, otherwise I might have been able to deal with the matter there. However, the other day, in inquiring about the seizure or arrest of a Norwegian sealer, I asked in a supplemental way whether the government would be a bit more severe in prosecuting this case than it was in the case of the Japanese fishing vessel arrested off the west coast a short while ago.

In the case of this Japanese fishing vessel, I am given to understand that there were two ways of proceeding against the owners. One was by way of indictment, which carried with it a maximum fine on conviction of $25,000. The other way was by summary conviction, which carried with it on conviction a maximum fine of $5,000 plus the possible seizure of the vessel, its gear and the like. I am told the proceedings were by way of summary conviction, and that the prosecutor on behalf of the Crown indicated to the court it was sufficient simply to ask for a $1,000 fine, the boat having been found inside the 12-mile fishing zone some two and a half miles.

[Mr. Kierans.]

The magistrate did not agree with that and levied a fine of $2,500, but even so I think this amounted to nothing more than the charging of what might be called a licence fee to a foreign fishing vessel to poach in our waters. Everybody on the west coast has heard of many cases of fisheries officers proceeding against native Indian people fishing for food by way of taking possession of and actually cutting up and burning their nets, by seizing their boats and by restricting them to fishing at certain periods of time. In other words, the penalty imposed upon our own Canadian people is far greater in severity when compared with that imposed upon this massive Japanese fishing company.

I am sure many west coast fishermen will have communicated to the department the fact that certain foreign fishing vessels on the west coast, both from Japan and the Soviet Union, do follow the practice of moving in to within a mile or a mile and a half of our shores at night, without running lights or any lights whatsoever, dropping their gear and dragging it out beyond the 12-mile limit. In other words, they are deliberately and consciously fishing inside our fishing zone, indeed, inside our territorial seas. They are doing so contrary to standard safety practices at sea by running at night without any lights visible, and so on. These boats have been seen engaging in this sort of practice by trawlers on the west coast. I submit that we should prosecute the Japanese fishing vessel and the Norwegian sealer that was apprehended to the fullest extent of the law, to indicate to other nations and captains of foreign fishing vessels in our waters that we intend to assert our economic rights. The penalty ought to be severe enough to deter others from indulging in similar practices.

• (10:20 p.m.)

In this regard our fisheries protection vessels, either because the ships are too small or because of the temerity of their captains, are not doing an adequate job. Perhaps we ought to use the navy to enforce our rights; the navy seems to be doing little that is useful, and it might be wise to use naval ships to protect our fisheries. We must enforce our fisheries regulations with the greatest severity in an effort, hopefully, to deter others have no right to be there from fishing in our waters.

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, I think the hon. member for Skeena (Mr. Howard) will recognize that we

are now taking a much tougher line in enforcing fishing regulations, not only within Canada but also with regard to our exclusive fishing zones and the operations of foreign fishing vessels within those zones. As the hon. member knows, in the case of the Japanese fishing vessel he mentioned, this is the first time that vessel has been encountered by one of our fisheries protection vessels. In fact, this is the first instance of a Japanese fishing vessel ever having been apprehended by one of our fisheries protection vessels. This is, therefore, a first case. It is not a case where vessels, even Japanese fishing vessels, have been warned on previous occasions by our fisheries protection service. He can rest assured that if we run into a series of incidents involving warnings or apprehensions, the penalty will escalate in ratio with the provocation.

I have heard of instances, as undoubtedly the hon. member has—fortunately they are not all that numerous—where foreign fishing vessels have been within our territorial waters and it has not been possible for our fisheries protection service to go out to the vessel in question and apprehend it. Although the number of such incidents has been exaggerated, undoubtedly they have occurred. Undoubtedly, our fishermen have had reasons to be provoked.

Our fisheries protection service now is better equipped than it ever was before. The Canadian fisheries vessel *Tanu*, which intercepted the Japanese ship, was launched only last September and is one of the first fishery vessels on the west coast capable of going out any distance in any kind of weather. We have lacked such capability in the past.

As the hon. member knows, the air force is assisting with over-flight surveillance. We have also been assisted by the coast-guard and the navy. In fact, it was a coast guard icebreaker that picked up the Norwegian vessel. Our fisheries ship could not go out to her because of ice conditions.

We are taking a tougher line and to enforce the law we need more equipment. I contest the hon. member's statement that our captains or officers of our fishery ships lack the orders or the courage to pick up foreign vessels inside our fishing limits. I think our men are dying to show their mettle and to show their determination, as recently demonstrated, to protect our fishing zones more adequately than was possible in the past.

Motion agreed to and the house adjourned at 10.27 p.m.

29180—459½

HOUSE OF COMMONS

Friday, March 28, 1969

The house met at 11 a.m.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF SPEAKERS AND CLERKS OF PROVINCIAL ASSEMBLIES—ALSO MEMBERS OF ROOSEVELT CAMPOBELLO CAPITAL COMMISSION

Mr. Speaker: Order. May I bring to the attention of hon. members the presence in the Speaker's gallery of a group of distinguished Canadian parliamentarians, the Speakers and Clerks of the provincial assemblies. Our guests are in Ottawa to attend the annual meeting of the Canadian Area Council of the Commonwealth Parliamentary Association. They will spend a few moments in the gallery and I am sure will be favourably impressed by the quiet efficiency and impeccable dignity of our deliberations.

[*Translation*]

In the name of my colleagues, I express the wish that our distinguished visitors will enjoy their stay in Ottawa and that their discussions will bear fruit.

I should have added, naturally, that our distinguished colleagues, the Speakers and Clerks of the provincial legislative assemblies are accompanied by their wives.

[*English*]

I should also like to draw the attention of hon. members to the presence in the Senate gallery of American colleagues who are members of the Roosevelt Campobello Capital Commission.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the house that a communication has been received which is as follows:

Ottawa, March 28, 1969

Sir,

I have the honour to inform you that the Right Honourable J. R. Cartwright, P.C., M.C., Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate Chamber today, the 28th March, at 4.30 p.m. for the purpose of giving Royal Assent to certain bills.

I have the honour to be,

Sir,

Your obedient servant,

Louis-Frémont Trudeau

Assistant Secretary to the Governor General.

ROUTINE PROCEEDINGS

GRAIN

WHEAT—FINAL PAYMENT FOR CROP YEAR ENDING JULY 31, 1968

Hon. Jean Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I wish to make a statement regarding the final payment on wheat for the crop year ending July 31, 1968.

Producers delivered 464,608,153 bushels of wheat to the Canadian Wheat Board in the 1967-68 crop year, including 17,974,914 bushels of Durum wheat. The pool account for wheat was closed on February 28.

The amount of the final payment to be distributed to producers is $60,087,183, including $4,426,853 to be distributed to producers who delivered Durum wheat. This is not a payment by the government of Canada but represents the net returns of the Canadian Wheat Board in the marketing of western Canadian wheat for the 1967-68 crop year. It is additional to the initial payments for wheat which were increased at the beginning of the 1967-68 crop year, in the case of No. 1 Manitoba Northern, for example, by 20 cents per bushel from $1.50 to $1.70.

• (11:10 a.m.)

The average final payment for wheat other than Durum is 12.462 cents per bushel. The average final payment for Durum wheat is 24.628 cents per bushel. The Canadian Wheat Board will begin mailing the final payment cheques on March 28, today.

I wish to inform the house of the total prices realized by producers, prior to the deduction of the 1 per cent Prairie Farm Assistance Act levy, on their deliveries of some of the more important grades of wheat. Farmers will receive a total per bushel, basis

in store at the Lakehead or Vancouver, of $1.81317 for No. 1 Northern; $1.78548 for No. 2 Northern, $1.76283 for No. 3 Northern, $1.71155 for No. 4 Northern and $1.68181 for No. 5 Wheat. The prices realized on the Durum grades total $1.92261 for No. 1 C.W. Amber Durum; $1.90211 for No. 2 and $1.87096 for No. 3.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, as the minister announced, the government will make to farmers a final payment for their wheat. In effect, the government will be returning to our farmers their own money. I am sure that the minister's statement will be read with shock and dismay by farmers in western Canada. Our grain handling system was in a complete mess during this past year.

Some hon. Members: Hear, hear.

Mr. Horner: Now the government is to make a final payment which will represent a reduction to the farmers of 17 cents per bushel for wheat sales ending in July, 1968. We must compare these payments with previous payments which were at least 20 cents higher than the present payments are to be. In previous years final payments have been 37 to 38 cents and 48 to 49 cents greater per bushel.

The reduction of 17 cents a bushel has been brought about, despite the government's announcement previously of the interim selling price guarantee. It has been estimated that it would cost $15 million to maintain even the interim selling price guarantee that was suggested. The minister shakes his head. We have seen no final figures. It seems that the $15 million was in the estimates and is included in the over-all sum to be paid to farmers. Despite that, they will suffer a loss of 17 cents a bushel.

I ask the minister, have these reductions been brought about because of high demurrage charges on ships at Vancouver? We asked the government to pay these demurrage charges, because bad weather and other emergency situations prevented the movement of wheat to that port. The government refused that. Western farmers are now afraid that the government will not be able to maintain initial payments at $1.70 a bushel. If there is to be a drop of 17 cents a bushel this year, even with the internal subsidy that has been applied, the farmers wonder whether the price may not drop, say, another 10 cents next year, because of no guarantee this year. They wonder what the initial payment for the coming year will be with respect to wheat. If the mess of the past year in wheat handling is to continue into the coming year, there will be no guarantee as to what the initial asking price for wheat may be. We, on this side of the house, urge the government immediately to put back into force its interim selling price guarantee, because that guarantee is needed if the confidence of western farmers is to be maintained.

The lowering of the final price will work great hardships on our farmers who already have difficulty in meeting their financial obligations because of poor wheat sales, and low prices for the wheat that has been sold.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I thank the minister for sending us notice of his statement. I think the real significance of the statement is that it shows that the drop in gross income with respect to this one product of farmers for the last crop year was approximately 9 per cent. This is what the task force that has been meeting in the Chateau Laurier for the past three or four days is all about. This morning we have the actual figures before us. We have a situation in this economy where inflation is continuing, wage rates and profits are going up and the farmer's gross income, and inevitably his net income, is going down.

This government cannot fail to discharge its responsibility to the grain farmers and the farm sector of this country. It was this government which negotiated the GATT agreement under the Kennedy round. They also negotiated the International Grains Arrangement. When other signatories undercut the price, we held an umbrella over the price arrangements for many months in the last crop year.

A significant factor not mentioned in this statement is the drop in the volume of sales which has occurred as a result of negotiations with respect to this agreement. Surely the government can do no less than discharge its responsibility by immediately setting a floor price to the Canadian producer at the minimum.

The government should seriously consider the representations of farm organizations, the Canadian Federation of Agriculture and the National Farmers Union which made representations to it suggesting a floor price minimum of $2.12 and stating the need of domestic prices for wheat. If we are to avoid bankruptcy and real financial pressure in our farm economy, immediate steps must be taken in this field. This government cannot avoid taking the full responsibility which is

theirs in the international trade policies of this country.

[*Translation*]

Mr. C.-A. Gauthier (Roberval): Mr. Speaker, I must follow in the footsteps of the other members and congratulate the minister on the announcement he has just made concerning western producers.

This announcement, which we expected as a matter of fact, is merely a repetition of his statement to the effect that he would soon be settling the question of final payments.

He is merely telling the western farmers that the Canadian Wheat Board will start mailing the cheques on March 28.

He said himself, a short while ago, that such a statement does not call for congratulations. But I suggest that it does to a certain extent, since a small payment is better than none. I can see that the western farmers are a little disappointed about the 9 per cent reduction which affects their product.

In his last statement in the house, the minister was saying that owing to the invasion of the market by the American government, farmers in the West would have to accept a reduction in the price of wheat. It already underwent a reduction last year.

I realize that the more the price of the production goes down, the more that of consumption increases. When the price paid to the producer goes down by 2 or 3 per cent, the business-man as he sends the product to the consumer must very often increase its price by 10 or 12 per cent.

There lies the paradox which is always obvious, and we wonder whether this year the producer in the West will once more be the loser.

• (11:20 a.m.)

But the winner is still the businessman. In fact, in the province of Quebec, we shall pay even more than last year for the wheat that is already selling at a good price, and certainly it is not the producer who will get a profit but indeed finance.

Therefore, I ask the Minister of Industry, Trade and Commerce (Mr. Pepin), to make the overdue inquiry into the trade of agricultural products.

The cause of the evil does not lie in production, or the weather, but indeed in high finance, that may, at its convenience, "swindle" the consumer, in selling at exaggerated prices, compared with those which are paid to the producer.

I know that the Minister of Industry, Trade and Commerce, who is full of good will, is at last going, as we have been asking him for six years, to make a probe into high finance. I believe that if he corrects the evil today, he will be in a position next year to announce a rise in the prices paid to the producer.

[*English*]

CRIMINAL CODE—CANADA EVIDENCE ACT

AMENDMENT EXPUNGING CRIMINAL RECORDS OF MINOR OFFENDERS

Mr. John Gilbert (Broadview) moved for leave to introduce Bill No. C-186, to amend the Criminal Code and the Canada Evidence Act (Expunging of Criminal Records).

Mr. Speaker: Is it the pleasure of the house that the hon. member shall have leave to introduce the said bill?

Some hon. Members: Explain.

Mr. Gilbert: Mr. Speaker, the purpose of this bill is to expunge the criminal records of persons who have committed a minor offence three years after the serving of a sentence or the payment of the fine, and to do likewise after a period of five years for a more serious offence. The expungement will not be automatic. The power to expunge a criminal record would be vested in a Board of Corrections Review which would determine whether there has been reformation and rehabilitation of the applicant in determining the application for expungement.

A short time ago I introduced a bill for the abolition of corporal punishment. This bill for the expungement of criminal records is another step in fully restoring the social status of reformed offenders, and to move more closely to the development of a civilized society.

Mr. Speaker: Order, please. I have to remind the hon. member that his explanation should be brief at this time.

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

CANADIAN BUSINESS RECORDS PROTECTION ACT

REMOVAL OF RECORDS PURSUANT TO FOREIGN COURT ORDER

Mr. Barry Mather (Surrey) moved for leave to introduce Bill No. C-187, respecting the

protection of records of Canadian business concerns.

He said: Mr. Speaker, the purpose of this bill is set forth in the brief explanatory note, from which I shall quote:

> One of the recommendations of the Watkins Report was that the Parliament of Canada enact legislation to prohibit removal of commercial records and data from business concerns within federal jurisdiction by reason of a foreign court order.

This bill with its four clauses would provide such legislation and to that extent enable firms in Canada to be free from foreign court orders.

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

PRIVILEGE

MR. WOOLLIAMS—ALLEGED LEAK PRECEDING ANNOUNCEMENT CONCERNING MONTREAL INTERNATIONAL AIRPORT

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I had intended to direct this question to the Minister of Transport, because even though I do not agree with the procedure, it is his day to be in the house, according to the roster. In view of the fact that he is not here and it is such a serious question I would direct it to the Prime Minister.

Did the Minister of Transport pre-tape the announcement concerning the site of the new Montreal International Airport at a certain Ottawa TV studio or anywhere else Saturday, March 22 or any other date prior to his announcement of the same in the house yesterday?

Right Hon. P. E. Trudeau (Prime Minister): I am sorry I do not know the answer to that question, Mr. Speaker. The minister will be glad to answer it when he is here.

Mr. Woolliams: He was supposed to be here today.

An hon. Member: Many of your people are not here today.

Mr. Woolliams: In a few years we will be the government; don't worry. May I put this question to the Prime Minister. Did the Minister of Forestry and Rural Development pre-tape the announcement concerning the site of the new Montreal International Airport at a certain Ottawa TV studio or anywhere else on Sunday March 23 or any other date prior to the announcement yesterday in the house.

[Mr. Mather.]

Mr. Trudeau: Mr. Speaker, that minister is not supposed to be here today; but where is the Leader of the Opposition?

Mr. Speaker: Order, please. May I respectfully suggest to hon. members that we never achieve very much by referring to our respective attendances and absences.

Mr. Woolliams: Mr. Speaker, I rise on a very serious question of privilege. My question of privilege arises at this moment as a result of questions I put to the Prime Minister and as a result of questions I was prepared to ask ministers, one of whom even according to the Prime Minister was supposed to be here. The answer I received with reference to those questions is nothing. My question of privilege is based on the information I did not get from the ministers or from the Prime Minister. I might mention that a news release this morning over CKGM Montreal and CKEY Toronto said in brief that the Ottawa bureau has learned that information concerning the exact location of the new Montreal International Airport near or at St. Jérôme was leaked by cabinet sources five days before the announcement was made to the Commons.

The Minister of Transport stated in the house yesterday that this was a carefully guarded secret. Yet, says the news release, a studio and four technicians knew of the information and were not sworn to any secrecy, although they were closely guarded by two R.C.M.P. officers. This is a most serious matter so far as government and cabinet secrets are concerned and I suggest, if this news release is true, this is as serious a matter as a budget leak and, if the facts are correct, would call for the resignations of those ministers involved.

Some hon. Members: Oh, oh.

Mr. Woolliams: They laugh, Mr. Speaker, but I will read some precedents. They may laugh today but they will cry tomorrow.

• (11:30 a.m.)

Mr. Baldwin: They do not know how to cry.

Mr. Woolliams: It is my intention at the end of my comments on this important and serious question of privilege to move a motion. The question of privilege is based on two propositions: First, that if in fact secret cabinet information was placed on a video tape and recorded by radio personnel prior to

the announcement it could lead to land speculation and a possible enrichment of people who are "in the know", at the expense of the Canadian taxpayer. This affects the responsibility and obligations of every member of parliament and is at the very root of the oath of office taken by Privy Councillors. Therefore it calls for close investigation.

This first fact establishes a reasonable prima facie case for examination and review. It arises because this matter was dealt with in the house yesterday and questions were put to the Prime Minister today.

Second, there has been a breach of the privileges of this house in that cabinet secrets have been divulged in a video production centre contrary to the rules governing parliament. I will say at this point that I have information that this news was video taped and that the tapes were carried by a Montreal commercial enterprise. So there was no chance of keeping this information secret, if these people wanted to use that information. This method of disseminating news is a breach of the privileges of the house and of every hon. member here, and indeed is contrary to all the fundamental principles of a democratic Cabinet government.

Therefore parliament, which is the highest court of the land, is entitled to know by examination and review whether this method of disseminating the news was used by any members of the government. One must be fair in these matters, and that is why I call for an examination and review. Proof of the leak of information can only be determined by an inquiry at which ministers and witnesses can be examined and tapes and documents can be checked. I hope they will not be destroyed, as they were on one other occasion. Documents can be checked, and if it is determined immediately that there is no foundation to the allegation that this method of disseminating the news has been used, we will all be happy that truth has prevailed. However, if on the other hand such an inquiry should disclose other facts, then proper steps will have to be taken by the government and by those involved.

My question of privilege is that if this information has been put on video tapes which were carried across the nation by a commercial enterprise, and if the people who made those tapes were not put under an oath of secrecy, then this is what I would call a cabinet leak and it is equal to a budget leak. I need not bring to Your Honour's attention the two famous cases in the history of political science. One was of the Hon. Mr. Thomas, Colonial Secretary in Great Britain, who made a statement to another member of parliament, Mr. Butt, with reference to the price of beer being affected by the budget. He resigned because of this indiscretion. That was in 1936. Then we also have the famous Dalton case in which the Hon. Sir Hugh Dalton, on entering the chamber with a budget speech, spoke to John Carvel, correspondent of a newspaper called the "*Star*". Apparently the news release went out prior to the completion of the budgetary speech by Sir Hugh Dalton. He resigned because of his indiscretion.

We tried to solicit information from the cabinet today and particularly from a minister who, according to the roster, should be here today. This is the news that went across the land this morning:

> CKCM's and CKEY's Ottawa bureau has learned that information concerning the exact location of Montreal's new international airport was leaked by cabinet sources five days before the announcement was made in the House of Commons.
>
> Montreal's new international airport is to be located 26 miles north of the city near St. Jérôme. Transport Minister Paul Hellyer made that announcement yesterday following months of intense secrecy.
>
> What kind of secrecy?
>
> The project is worth hundreds of millions of dollars. Newsradio has learned that both Mr. Hellyer and Regional Expansion Minister, Mr. Marchand, last Saturday and Sunday went to an Ottawa TV studio to pre-tape the announcement. The audio and video tapes were to be released to radio and TV stations as the announcement was being made in the Commons. It has further been learned that the ministers did not take the precaution of swearing the studio technicians to secrecy even though they did have two R.C.M.P. officers guarding the studio. Nor were the technicians sworn not to make attempts to use the valuable information for personal gain. Oddly enough, however, most other members of the studio staff were given the impression oaths of secrecy had been signed.

Even if the oaths of secrecy had been taken, which was not the case according to my information, this would not remedy the situation and the question of privilege would still exist.

So I say that we have a prima facie case. In view of the fact that this leak is as serious as a budget leak, I say that the time has now come for the Prime Minister and his government to measure up to their responsibility and to take parliament into their confidence. This is one breach of privilege. Another breach of privilege is against every member of the House of Commons, that is the leak. We speak for the people and we speak for the

Canadian taxpayers. How many more leaks, how much land speculation and what kind of nonsense will we allow to go on if this continues?

I submit, Mr. Speaker, that I made out a prima facie case if there ever was a prima facie case set out in the House of Commons.

Some hon. Members: Oh, oh.

Mr. Woolliams: I hear these barks in the distance, but you will be howling soon.

I make the following motion:

That the question of information of the announcement of the new Montreal international airport at or near St. Jérôme, Quebec, having been given prior to the said announcement by the government in the House of Commons and including all the circumstances under which the allegation is made, be referred to the Standing Committee on Privileges and Elections of the house, so that a full inquiry and investigation may be made, and that the said committee be empowered to examine all persons and papers material to the matter in question.

Mr. Speaker: The decision which the Chair has to make before putting the motion proposed by the hon. member is to determine whether there is a prima facie case. However, before doing so it would be normal for the house to hear the ministers to whom the hon. member for Calgary North (Mr. Woolliams) referred. It is obviously impossible for the Chair to make this kind of decision without hearing the views and comments of the ministers to whom the hon. member referred in his statement.

I doubt very much whether there is any point in pursuing the matter further at this time. I realize that the Prime Minister might want to take part in the discussion, but if we have a debate at this time I would still be unable to make a decision now. So if hon. members agree with my suggestion, we should hold the matter in abeyance because I cannot be placed in the position of ruling on the question of a prima facie aspect of the allegation now.

Mr. David Lewis (York South): I rise on a point of order, Mr. Speaker. I can well appreciate the position in which Your Honour finds yourself, in that you cannot give a decision on the prima facie aspect of the question of privilege in the absence of the ministers. May I respectfully suggest that Your Honour consider requesting that those ministers come into the chamber, assuming that they are in town, so that the matter can be dealt with now instead of awaiting their convenience.

[Mr. Woolliams.]

Mr. Trudeau: I should like to speak on the point of order, Mr. Speaker. I feel I may be able to say a few things which might assist you in deciding whether or not there is a prima facie case. Some of the facts are relevant to this.

Mr. Speaker: Order, please. The right hon. Prime Minister should address himself to the point of order raised by the hon. member for York South (Mr. Lewis).

Mr. Trudeau: Yes, Mr. Speaker, I shall address myself to this point of order. I should like to say first that it is impossible for the Minister of Transport (Mr. Hellyer) to be here because he is in Toronto now. The other minister could be here, but I can tell the house the facts which he would state. This may help you in the decision concerning the airport which was announced yesterday afternoon.

Mr. Speaker: Order, please. Again I suggest to the right hon. Prime Minister that although he feels he should make a statement which might help to clarify the situation I feel very strongly that the matter should be held in abeyance until statements can be made which might assist the Chair in making a final decision on the prima facie aspect of the proposed motion.

• (11:40 a.m.)

Mr. G. W. Baldwin (Peace River): Mr. Speaker, on the point of order raised by the hon. member for York South, could this matter be suspended until after the noon recess, so that every effort could be made to not only bring the Minister of Forestry and Rural Development back here, but also the Minister of Transport?

Some hon. Members: Oh, oh.

Mr. Baldwin: This is the weekend. This matter is very important, and I assume it is also important to the ministers concerned. Surely its importance justifies every effort being made to bring them back. It may well be that by two o'clock Your Honour may have heard from the Prime Minister that the ministers will be back here this afternoon in order that Your Honour may deal with the preliminary matter of a prima facie case.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, concerning the point of order raised by

the hon. member for York South (Mr. Lewis), we contend that if we wait too long before reaching a decision in that respect, it will allow some ministers who would foresee that controversial matters could be raised to be absent from the house, thus preventing hon. members from discussing the question.

But in the opinion of the members of the Ralliement Créditiste, the proposal of the hon. member for York South to have the minister back in the house as soon as possible is an excellent one, and we support it.

[*English*]

Mr. Speaker: Order, please. We are obviously going to get into a debate over the matter. I suggest that it would be very unfair and unwise to proceed in this way. It is certainly not within the responsibility of the Chair to call for the attendance of individual members in the circumstances. If hon. members agree between themselves, and if there is agreement among the house leaders, that we resume discussion of the proposed motion of the hon. member for Calgary North, of course the Speaker is the servant of the house and I will be here at that time, every moment of the day, to hear the matter if it is taken up later in the day.

Mr. Horner: On that point of order, Mr. Speaker, the hon. member for Calgary North asked two pertinent questions. He asked whether this matter was pre-taped on television; whether a video tape was made.

Mr. Speaker: Order, please.

Mr. Horner: If the ministers were brought in—

Some hon. Members: Sit down.

Mr. Speaker: Order, please. I have made my ruling. The hon. member is obviously trying to have a debate. I have just said there cannot be a debate at this time. The hon. member says that questions have been asked. The hon. member may wish to have the right to ask questions. If the hon. member, outside of this question of privilege, wants to ask supplementary questions of the Prime Minister, that of course is a different matter. But in so far as the proposed motion and question of privilege is concerned, the matter has been allowed to stand.

Mr. Horner: On a point of order, Mr. Speaker, the pertinent fact is that we do not know whether there was a cabinet leak. But if the Prime Minister would bring his ministers here—

An hon. Member: Ask him.

Mr. Horner: The hon. member for Calgary North did ask the Prime Minister. He said he did not know. If the Prime Minister would bring his ministers into the house later this day, the whole question may be cleared up immediately. Therefore I think it is very important that we have these ministers before us today.

Mr. Trudeau: Ask me.

Mr. Horner: We did.

Mr. Baldwin: None of you know anything.

Mr. Speaker: Order, please. The hon. member for York South.

ORAL QUESTION PERIOD

STUDENT UNREST

MCGILL UNIVERSITY—ASSISTANCE IN THE EVENT OF DISTURBANCE

Mr. David Lewis (York South): Mr. Speaker, I gather that you have ruled that the subject we have been dealing with has ended. May I now direct a question to the Solicitor General. In view of the denial reportedly made by the Prime Minister of Quebec that any authority of that government had requested assistance from any federal authority in connection with the widely publicized march on McGill University today, would the Solicitor General inform the house what the situation is with respect to this matter, particularly as it concerns the Royal Canadian Mounted Police?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I understand the hon. member really to be asking me whether a request for assistance was made by the authorities in Quebec, the Attorney General or the Prime Minister. No such request has been made.

Mr. Lewis: A supplementary question, Mr. Speaker, for clarification. I was unfortunately out of the house yesterday, in another city. However, I understand that the Minister of Justice said that such a request had been made. Is the Solicitor General saying it was not made to his department, or was not made to any authority in the federal government?

Mr. McIlraith: Mr. Speaker, the question and answer given in the House of Commons yesterday appear in *Hansard*. I do not think they should be paraphrased in the way it has

been done by the hon. member. I do not interpret the answer of the Minister of Justice as saying there was a request.

Mr. Lewis: Mr. Speaker, in view of what the Solicitor General has said this morning in reply to my question, may I ask him this: When the Minister of Justice yesterday said that the Deputy Attorney General of Canada received a telephone call from the Deputy Attorney General of Quebec asking him for the potential aid of the R.C.M.P. and the Canadian Armed Forces in connection with the event to which I have referred, was the Minister of Justice in error; was that not the case?

Mr. McIlraith: The Minister of Justice was not in error. There was—

Mr. Lewis: You said there was no request.

Mr. McIlraith: Mr. Speaker, if the hon. member wishes to question me, I am perfectly prepared to seek to answer with great accuracy to the best of my ability. But I prefer not to be interrupted when giving an answer.

Some hon. Members: Hear, hear.

Mr. Woolliams: I would like you to silence those Grits for me, George; especially that one with the long sideburns. You are doing a good job.

Mr. McIlraith: I do not wish to pass judgment on the quality of the answers of any colleague of mine in the House of Commons. I have been here too long for that.

Mr. Baldwin: So have we.

Mr. McIlraith: But the minister's answer is not contrary to the fact. There was a telephone call between officials, the usual type of thing that passes between officials—

Some hon. Members: Oh, oh.

An hon. Member: Every day.

Mr. Bell: Explain.

Mr. McIlraith: —in the nature of asking for certain information in the event that it might be necessary to make such a request of the R.C.M.P. That was the nature of the call.

Mr. Lewis: Mr. Speaker, a supplementary question to the Minister of National Defence. Would the minister inform the house whether he is aware of any request, by any official or authority in Quebec, of any official or authority in Ottawa for the assistance of troops in connection with the matter; and would he assure the house that such assistance, in a case of this sort, would not be contemplated by him or his department?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, in answer to the first part of the question, there has been no request to have services available from the armed forces. The second part of the question of the hon. member I would qualify as hypothetical.

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a supplementary question for the Solicitor General. Is the federal government satisfied, as far as they are concerned, that appropriate measures have been taken to defend the integrity and freedom of Canada's leading institution of higher learning?

Mr. Benson: After Queen's!

Mr. McIlraith: There is very close working co-operation between the police forces of the various provinces and federal peace forces. That applies in this case as it does with other provinces.

Mr. Robert Muir (Cape Breton-The Sydneys): A supplementary question, Mr. Speaker, to the right hon. Prime Minister. In view of the fanatical agitation in Quebec, does the Prime Minister expect to have support for his languages bill in the rest of Canada?

Some hon. Members: Oh, oh.

[*Translation*]

AIRPORTS

MONTREAL INTERNATIONAL AIRPORT—AGREEMENT WITH QUEBEC GOVERNMENT

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a supplementary question for the Prime Minister.

Since there is disagreement with the Quebec government, can he tell us whether the provincial authorities approved the choice of the site for the proposed international airport as announced yesterday by the Minister of Transport?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the decision has been reached after lengthy consultations between federal, provincial and municipal authorities. There

has even been a report—the Higgins report—in which the three levels of government have participated and which proposes the site which we have actually chosen. Of course the choice was ours because the matter was under our jurisdiction, but the consultations lasted several months, and I think that the facts are such that the site which has been selected is the best in all respects.

Mr. Rondeau: Mr. Speaker, I should like to ask a supplementary question

Was the government of Quebec opposed to the decision of the federal government or did it accept the report as the federal government did?

Mr. Trudeau: Mr. Speaker, I cannot speak in the name of the provincial government nor can I say how far removed its decision was from ours. I know that within the provincial government, as well as within the federal government, opinions were much divided on the choice of the best site. We have chosen the best one, not only for Canada, but also for the province and the metropolitan area. In my opinion this is an excellent choice and everybody will agree.

Mr. Gaston Clermont (Gatineau): Mr. Speaker, I wish to ask a question of the Prime Minister.

Considering the announcement by the Minister of Transport of the choice of a site for the second international airport of Montreal, were representations made to him by citizens or groups of citizens of the north of Montreal with respect of the establishment of an eleventh Canadian province since provincial authorities seem to believe that the territory north of Montreal does not belong to the province of Quebec?

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to put a question to the Prime Minister.

Considering the importance of an adequate road system for the new airport, would the Prime Minister tell us if agreements have been concluded to that effect with the Quebec government and, if so, could he indicate what is their nature?

Mr. Trudeau: Mr. Speaker, as the decision was only taken yesterday at the cabinet meeting and was announced afterwards, it would have been impossible to conclude specific agreements with the provincial authorities for the works required by the establishment of the airport. We have obviously agreed that wherever the airport were located, we would take our decisions in agreement with the provincial authorities. Evidently, if the province does not want to have an airport in the Montreal area, every aspect of international transport could be dealt with in Toronto.

Mr. Rondeau: Mr. Speaker, I should like to put a supplementary question to the Prime Minister.

Could he tell us who is right in the present dispute, since the officials of the Minister of Forestry and Rural Development told us that the airlines were asking a transfer—

Mr. Speaker: Order. I feel that this is an argumentative question and I do not think that the question as put is in order.

[*English*]

FINANCE

REPORT OF THE AUDITOR GENERAL—REQUEST FOR STATEMENT ON COMMITTEE RECOMMENDATIONS

Mr. G. W. Baldwin (Peace River): I have a question for the Acting President of the Treasury Board. In the light of the somewhat startling contents of the report of the Auditor General for 1968 and in the face of the admission that at least 50 recommendations of the Public Accounts Committee dealing with previous reports have been pigeon-holed or ignored, will the President of the Treasury Board undertake to make a statement before the Easter recess dealing specifically with these recommendations and assuring the house that these illustrations of waste, incompetence and slovenly spending habits will be corrected?

Hon. E. J. Benson (Minister of Finance): We shall, of course, take the hon. member's question under consideration. We have done our best to avoid the slovenly habits which existed under the previous government.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): The previous government was headed by Mr. Lester Pearson.

Some hon. Members: Oh, oh.

Mr. Benson: The government from 1957 to 1962.

Mr. Fairweather: You did not say that.

Inquiries of the Ministry

PARLIAMENTARY COMMISSIONER

APPOINTMENT OF OMBUDSMAN IN QUEBEC

Mr. Barry Mather (Surrey): This is a question on a different subject. Bearing in mind the announcement today of the appointment of an ombudsman in the Province of Quebec—the third province to establish such an office—may I ask the Prime Minister whether any consideration is being given by the federal government to establishing such a post?

Right Hon. P. E. Trudeau (Prime Minister): I know that consideration has been given to this matter in the Department of Justice, but I do not know whether it is under active consideration at the present time or not. However I will consult with the Minister of Justice and try to reply later.

GRAIN

WHEAT—REQUEST FOR ASSISTANCE TO WESTERN FARMERS

Right Hon. J. G. Diefenbaker (Prince Albert): My question is directed to the Minister of Industry, Trade and Commerce, Mr. Speaker. In view of his announcement today, which means that western farmers will get about $80 million less than last year for the same amount of wheat, and the serious situation in the western provinces by reason particularly of climatic conditions and failure to sell wheat, is the government now giving consideration to something in the nature of assistance to western farmers to meet a situation created in large measure by the schemozzle by the government?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I have already answered this question on a number of occasions. I repeat that at the moment we are concentrating on trying to return as fast as possible to the I.G.A. price schedule and to make as many sales of wheat as possible. This is why we have allowed the wheat board to become fully competitive, breaking the I.G.A. pricing schedule if necessary.

Yesterday, a lot of unnecessary gloom was spread by the opposition. One had the feeling, listening to them, that grain movement at Vancouver had stopped.

Mr. Diefenbaker: Nobody said that, except the Minister.

Mr. Pepin: I got the facts this morning. I declined to give them yesterday for the very good reason that I did not have them before me. The right hon. member for Prince Albert

kept insisting that he had read my mail, which I did not like very much.

Mr. Diefenbaker: I cannot allow that. On a question of privilege, Mr. Speaker. I know that the minister gets a daily report. That has been the course through the years. The only thing he doesn't do is read what he gets.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Speaker: Order. Could not the minister simply answer the question?

Mr. Pepin: Gladly, Mr. Speaker.

[*English*]

It was mentioned yesterday that "there are no vessels in Vancouver" and that "none are expected before April 25". I should like to put the facts on record. There is no truth whatsoever in those statements. Four vessels were loading yesterday, three more are due in March—today is the 28th—and to date eight vessels have been nominated for arrival prior to April 25. The Chief Commissioner of the Wheat Board tells me that during the month of April 16 vessels are due to arrive and that he hopes others will be nominated in the coming days. So the situation is far from being as bad as was described yesterday by hon. members on the other side of the house.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I am glad the Minister has the information today which he had yesterday but did not read.

Mr. Pepin: Mr. Speaker—

Mr. Diefenbaker: I was asking the Minister a supplementary question.

Mr. Speaker: I thought the hon. member was rising on a question of privilege.

Mr. Pepin: I did not have the information yesterday, Mr. Speaker.

I find I am in the habit of pointing, like the right hon. member for Prince Albert.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: You get the point, then.

Some hon. Members: Oh, oh.

Mr. Pepin: Both Emily Post and my mother say that is a bad thing to do.

I did not have the information yesterday, and it is not the habit of the Wheat Board to

give such information. If I insisted on getting it today it is because I wanted to put an end to the kind of questioning which was carried on yesterday and which is not in the best interest of the producers of the west.

Mr. Diefenbaker: Mr. Speaker, having received that motherly advice from the hon. gentleman I should like to ask him what he is going to do to help the western farmers, in view of their loss of $80 million income?

Mr. Speaker: Order, please. The hon. member for Selkirk.

Mr. Schreyer: A supplementary question, Mr. Speaker—

Mr. Jack McIntosh (Swift Current-Maple Creek): A point of privilege, Mr. Speaker—

Mr. Speaker: Order. The hon. member for Swift Current-Maple Creek is rising on a question of privilege.

Mr. McIntosh: The minister has just made the statement that the opposition has been spreading false rumours. I think he should withdraw it. The opposition has never spread false rumours.

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please. The hon. member is inviting me to ask the minister to withdraw the use of unparliamentary language. It is not unparliamentary to say that false rumours are being spread. It is only if it is said that false rumours are being spread deliberately that a question of privilege arises that such words are unparliamentary.

Mr. McIntosh: On the same question of privilege, there was an occasion previously in the house when objection was taken to a statement made about bums and idiots. The minister is speaking for the government and he has just stated that the opposition is spreading false rumours. He knows that this statement is false and I ask him to withdraw it. The facts speak for themselves.

Mr. Speaker: Order, please. The hon. member for Selkirk.

Mr. Horner: A question of privilege, Mr. Speaker—

Mr. Speaker: Order. I hope the hon. member has a different question of privilege. I have made a ruling on the question of privilege raised by the hon. member for Swift Current-Maple Creek. I also wish to bring to the attention of hon. members that there are only a few minutes left before the end of the question period. If these minutes are to be spent on questions of privilege I shall recognize the hon. member for Crowfoot.

Mr. Horner: Mr. Speaker, I rise on a question of privilege because the Minister of Industry Trade and Commerce deliberately implied that the opposition had misled the public and created a picture of gloom and doom in regard to the grain trade. Yesterday I led off the questioning on that subject. At that time I stated there was not going to be a boat into Vancouver until April 25. I read that in three different newspapers.

Mr. Loiselle: Newspapers!

Mr. Horner: Yes, newspapers. I want the government to clear up this issue. That is why I asked the question.

Mr. Speaker: Order, please.

Mr. Horner: It is the government's duty to clear it up.

Mr. Speaker: Order.

Mr. Horner: It is also the duty of the opposition to solicit the facts.

Mr. Speaker: Order, please. I do not want to try to compete with the hon. member, but I also have to rule on his question of privilege that this matter cannot be entertained further. I do not think the Chair should be placed in the position where it has to ask the minister to withdraw his statement or withdraw words that in my view are not unparliamentary. Every day I hear from hon. members accusations that one side is preaching gloom and doom while the other side is not. To my way of thinking this is merely debate. Perhaps it may not be the impeccable dignity to which I referred earlier when introducing my colleagues, the provincial Speakers, who are in the gallery, but I am sure they will be pleased to return to their houses realizing that their lot is much easier than that of the federal Speaker.

Some hon. Members: Hear, hear.

Mr. Speaker: I believe a few minutes ago the hon. member for Selkirk had a supplementary question.

Mr. Ed Schreyer (Selkirk): Thank you, Mr. Speaker. I hope the Minister of Industry, Trade and Commerce will take my question as one that is not against the interests of the

western producers. I should like to return to the substance of the question asked by the right hon. member for Prince Albert. Can the minister say whether the government is giving active consideration at the present time to the proposition that there ought to be price support somewhat along the line of the Robert Winters formula, if I may call it that, of two years ago?

Mr. Pepin: Mr. Speaker, I specifically answered this question yesterday when I said that we were studying the whole situation. I said that before doing what is being requested by members, on this side too, and by members on the other side we wanted to assess the situation fully. We wanted to know the real possibilities of returning to the I.G.A. price schedule. We wanted to know how many sales the Wheat Board could make—

Mr. Speaker: Order, please.

Mr. A. P. Gleave (Saskatoon-Biggar): A further supplementary question to the Minister of Industry, Trade and Commerce. May we hope that this decision will not be too long delayed?

Mr. Speaker: Order, please. The hon. member may ask questions but not express hopes.

[*Later:*]

Mr. Schreyer: Mr. Speaker, on a question of privilege, the Minister of Industry, Trade and Commerce, who was responsible for answering my question, stated that he had replied to the very same question yesterday. This is exactly what he did not do. I want to say to the minister that the time for assessment was some four months ago—

Mr. Speaker: Order, please. Again that is not a question of privilege.

[*Translation*]

FINANCE

REQUEST FOR STUDY OF INTEREST RATES

Mr. Henry Latulippe (Compton): Mr. Speaker, I should like to direct a question to the Minister of Finance.

Whereas the steady increase in interest rates is detrimental to many Canadian businesses, would the minister advise the house if he intends to find means to improve that situation?

Mr. Speaker: The hon. member is asking the minister to make a general statement. I do not think his question is in order.

[Mr. Schreyer.]

[*English*]

NATIONAL DEFENCE

CONSOLIDATION OF MILITARY COLLEGES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to ask the Minister of National Defence to inform the house whether his department is now planning the consolidation of military colleges on one site in the Ottawa area?

Mr. Speaker: Order. I fail to see the urgency of the question asked by the hon. member. Perhaps it is the type of question that might be placed on the order paper.

INCOME TAX

COLLECTION OF SOCIAL DEVELOPMENT TAX BEFORE APPROVAL

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. In view of the fact that the government house leader in his statement yesterday of the business we will deal with before we rise for the Easter recess made no mention of any legislation to amend the Income Tax Act, and in view of the fact that there is no legislation of this sort on the order paper, may I ask the minister how long the government intends to collect the 2 per cent social development tax without parliamentary approval?

Mr. Speaker: The hon. member will recognize—I do not think I am wrong about this—that this question has been asked before. I am not sure whether it should be allowed again today.

Mr. Knowles (Winnipeg North Centre): I rise on a point of order, Mr. Speaker. Months are going by and this tax is being collected without parliamentary approval. I think the country has a right to know for how much longer this situation is going to exist.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

PATENT ACT—TRADE MARKS ACT

EXTENSION OF AUTHORITY TO GRANT LICENCES—REPORT STAGE

The house resumed, from Thursday, March 27, consideration of Bill C-102, to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, as reported (without amendment) from the Standing Committee on Health, Welfare and Social Affairs.

• (12:10 p.m.)

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, since we are resuming consideration of the bill discussed yesterday and of my amendment, I think the minister could give an answer about that amendment especially requesting standards of protection for the consumers.

We have an international Bill of Rights as well as a Canadian Bill of Rights which has been in force for a few years now. It is therefore time, I think, to introduce in the house legislation providing for a charter regarding the protection of the consumers.

I have in hand briefs and reports already submitted to the consumer credit committee which contain sensible recommendations favouring consumers' rights.

Here, I wish to remind the minister of the main points which have already been made the subject of recommendations in committee and which, I believe, are still sound. However, the minister appeared to turn a deaf ear to them.

Since on page 3313 of the proceedings, mention is made of the consumer's rights, I thought I was justified in moving such an amendment to protect the consumers.

If some manufacturer failed to comply with the rules under the future Canadian consumer's bill of rights, his licence could be revoked at any time.

On page 3313 of the report appear the basic criteria that prompted the recommendations on the safety of drugs. There is also the suggestion that the consumer be informed on the quality of the various food products or drugs offered on the market.

Another need is supplying the consumer with the required information. The federal government has now in stock some valuable pamphlets unfortunately unavailable to the public. It should make use of that literature to inform the public on the food products and drugs now selling in this country.

Another recommendation was made in committee. It concerns the labelling of toxic substances, for the manufacturers can indicate the contents of some pharmaceutical or food products more or less clearly on the container.

It also appears necessary to define more clearly what quality means as applied to food or drugs. In addition, the source of such products should be identified.

Today, the source of various products on the market remains obscure and the Canadian consumer does not really know whether he is buying a Canadian or a foreign product.

On the other hand, some standards or regulations should be established to prevent the use of fractions of weights and measures.

Mr. Speaker, many other suggestions have already been made to the consumer credit committee, in respect of relevant subjects which are not dealt with in the bill. It would be interesting for the consumers to benefit from a bill of rights, to ensure them more protection.

On page 3310 of the same report, another suggestion is made concerning the protection of the consumers' rights. It is a more simple designation of various qualities of food products. Another recommendation is to the effect that labels should be printed with warnings about the handling and use of dangerous substances.

Another recommendation tends to forbid the inscription on the labels of fractions of ounces. I made the same recommendation a few minutes ago.

A standardization of net weights, over four ounces, should be established.

In my opinion, all these recommendations are logical, intelligent and plausible. On the other hand, I do not mean to say that all recommendations contained in the briefs should be accepted today or tomorrow by the minister in order to protect the consumer. There are, however, some essential recommendations that should immediately be considered. For instance, the public is taken in by false advertising. As a matter of fact, the public is led to believe that it will save money if it uses certain packages, when that is false. The public should be informed on the choice of simple or sophisticated packaging and on the quality of products. We should identify the source of all products made in Canada.

A little further, the same report recommends a better dissemination of information to the consumer, so that he will be better informed on the quality of the various products that are available on the market.

There are three government publications dealing with the quality of drugs. They deal with inscriptions on labels and with drugs that should be found in every home. Perhaps the committee could recommend general distribution of government publications, instead of waiting for people to request them. Are not consumers getting a great many publications

from industry, without having requested them?

It seems to me that nowadays the government could better inform consumers through a larger distribution of those publications. I know that the department is presently publishing a few pamphlets for the information of consumers; unfortunately the public does not know that they are available. There is on the market presently products which are more or less manufactured with a view to fool the public as far as quantity and quality are concerned.

For instance, we are sold a kind of javel water which is 94.6 per cent water and yet the label bears the inscription "Javel water".

I could also speak about certain kinds of soap for which instructions are provided, but which do not give any information to the housewife as to the value they get for their money.

This is why I think the Minister of Consumer and Corporate Affairs must take his responsibilities and consider the recommendations already made by the committee on consumer credit with a view to establishing standards of protection for the consumer. This would enable consumers to make a judgment on the quality of the products introduced on the market and would prevent the public from being fooled by advertising.

The Minister of Consumer and Corporate Affairs should, first of all, look after the interests of consumers and set up as soon as possible a consumer safety code.

[*English*]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, my first remarks must be to thank the hon. member for his intervention in this debate. In his speech he surveyed the Department of Consumer and Corporate Affairs. I appreciate his interest in my department and its various programs. If I were to comment specifically on all the points he raised I should probably be out of order. We are dealing here with the report stage of this bill and with an amendment to clause 1, subclause 4.

The hon. member read the recommendations of the Joint Committee of the Senate and the House of Commons on Consumer Prices. I remind him that I was the co-chairman of that committee, that I am familiar with the work of the committee and participated in the writing of the committee report and recommendations. I can assure him that the recommendations affecting the work of my department are very much in my mind. Many of the matters he has mentioned my department is now working on. I am not at liberty to make announcements today on all these subjects, but I assure the hon. member that they are very much in my mind and are involved in the work of the department. I share the concern he expressed regarding labelling, packaging and advertising. I assure him that I and my officials have these matters in mind.

• (12:20 p.m.)

I have already introduced the hazardous products bill which will be dealt with following this bill. It is an extremely strong piece of consumer protection legislation. It will allow us to deal with a great many products now on the market over which there is at present no control. The hazardous products bill will deal with labelling and packaging.

I suggested to the Consumer Advisory Council, which I appointed last November, that they draw up a consumer charter. I asked in early December that they devote some effort to this matter. I made it very clear last fall that there should be a consumers' charter in Canada, a declaration of consumer rights. In this connection the hon. member and I are in complete agreement.

I will now deal with the amendment before the house. I wish to assure hon. members of the Creditiste party that each of their proposed amendments has received very careful consideration by myself and my officials. I welcome their interest in this bill and their participation in the debate. I share with them their concern for the safety of the public. That is a consideration which must be paramount in the minds of the government and officials.

Knowing the concern and interest of the hon. members, each of their amendments was examined very carefully as to whether it should be accepted. On the question of whether I could accept the last amendment moved, I was invited last night to sleep on it. I have done this, Mr. Speaker, and I must advise that I am unable to accept the amendment because the bill already provides what the hon. members are concerned about in their amendment.

Any compulsory licence granted on stated terms or conditions will be ineffective if those terms are not complied with. If authority is granted to do something in stated terms, the general law is that authority under the compulsory licence automatically lapses if the terms are not complied with. That is the law of the Patent Act and of this country. Any

licensee not complying with the terms of the compulsory licence would be subject to an infringement of patent action by the patent owner. What the hon. member is concerned about in moving this amendment is already provided for in the general law of the land. For this reason I cannot accept the amendment.

[*Translation*]

Mr. Rondeau: Mr. Speaker, may I put another question?

As the number of licences revoked as a result of the enaction of regulations which have not being complied with, is insignificant, would it not have been possible for the minister to amend the present legislation so that the Commissioner could revoke licences at his discretion, when regulations are not complied with?

Nobody keeps a watch on the companies which are not complying with the regulations, and no licence has been revoked.

The minister says that licences have been revoked because the regulations have not been complied with but, according to the statistics, no licence has been revoked. This act seems to be applicable but it has never been enforced. The minister should apply it in the case of companies who have not complied with the regulations and still have their licence. I know several companies like that.

[*English*]

Mr. Basford: Mr. Speaker, if the holder of the compulsory licence does not comply with its terms he is open to an infringement action by the owner of the patent. It is a self-policing action and in our view is sufficient for the purpose.

The Acting Speaker (Mr. Béchard): Is the house ready for the question?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Béchard): Is it the pleasure of the house to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Béchard): All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed to the amendment will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Béchard): In my opinion the nays have it. I declare the amendment lost, on division.

Amendment (Mr. Rondeau) negatived.

• (12:30 p.m.)

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, I move:

That Bill C-102, to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, be amended by inserting in clause 1 (10) (b) after the word "effect" on line 6, page 4, the following words:

"or immediately where the quality or safety of the product has been the cause of the rejection, and all persons who have acquired such product under a patent shall have their licences revoked."

Mr. Speaker, even the slightest error cannot be tolerated, and that must be brought home to drug manufacturers.

It is not after a number of deaths will have been caused by poor quality products or a few people's health will have been affected by a product of dubious quality, that it will be time to act. We cannot allow such manufacturers to retain their licence, be it only for a short period of time.

If the manufacturer were aware that his licence can be revoked if he sells a product of poor quality, it would help to further protect the consumer. That is the object of the amendment I am moving.

We would also have to make sure that the dosage directions are properly indicated so that the buyer will not run any kind of risk.

There is a peculiar situation in this country, because it is a bilingual country, and many products are labelled in both languages. But, as the minister knows, it sometimes happens that on a bottle, the instructions for use in English will specify two tablets a day, and the instructions in French will indicate only one every four hours. There is certainly something wrong here.

It may be a quality product, but the instructions are ambiguous, and I would call this a case of criminal negligence.

In such cases, the manufacturer should have his license revoked, and knowing that this can be done, he will be most careful.

It also happens sometimes that sales promotion of some products is pushed too far by advertising, when their excessive use could have adverse effects on people's health.

For instance, when I see advertisements for products claiming to improve the scalp, I

remain a little sceptical, because science is not far enough advanced in this field to give any weight to such advertising claims.

Yet, some of those products are still to be found on the market.

So, taking all this into account, the quality of the product must be such, and it must be guaranteed in such a way, that one can be sure, beyond a doubt, that it will not endanger one's health, one's life. The manufacturer or the licence holder must be so conscious of this, that the thalidomide tragedy for instance, of a few years ago, cannot be repeated.

It is obvious that the regulations must be strict, specific, so that such disastrous situations can be avoided. That is the purpose of the amendment.

The act says that the licences will be revoked but I feel that this is not specific enough. Even if certain business concerns were taken to court—we know about those delays which unfortunately are ever increasing in length—it can happen that in the meantime those who violated the regulations continue to sell their products. Will they cease to distribute and advertise them?

That is one more reason why the act should be more specific. When a product has been shelved because it is dangerous, those who sell it, under a patent, will lose their licences. If that were stated in so many words in the act I feel that the people would be better protected.

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I apologize to the minister for dealing again with the same subject which remains in our opinion very important namely pharmaceutical drugs and according to the same legislation, foodstuffs.

At the present time, the public is under the impression that anyone can very easily get a license allowing him to manufacture anything and that none of these products are controlled on the market. Therefore, people are afraid because accidents have happened.

A few years ago, in my riding, a child died because he had swallowed soap. At the present time, no provision in the legislation obliges the companies to mention on the labels that the consumption of a certain quantity of soap can kill a child.

The minister had performed a tremendous task in this field because today so-called pills and drugs are manufactured.

Bottles are filled with water, colouring is added, the product is put on the market and

the public is fooled. Why? Because consumers are not protected and the legislation is not specific enough.

I heard the hon. member for Champlain say that certain products were damaging for the scalp, and that is true. However, some products are very good for the scalp while others are toxic. There are chemical products and natural products. In the present legislation no provision obliges the manufacturer of toxic products to identify them as such by saying to what extent they could be good or bad for people.

However, natural products have been holding good in England since 1886. If a person has white hair for instance, by the simple virtue of nature, his hair will regain its original colour and the products are unadulterated. In the case of a person who had dark hair when he was young, his hair will become dark again.

On the other hand, there are other products on the market that are supposed to change hair colouring but they are harmful and lead to falling hair, broken hair and dry hair. For instance some beauty products such as hair sprays harm women's scalp. Others, however, are efficient and do have the qualities advertised in their case. But there is no provision in the present legislation to protect the consumer. Good as well as bad products are sold indiscriminately on the market. The advertising pattern tends to make bad products sell more easily than good ones.

We would like the minister to tell us what he intends to do in the case of the recommendations included in the consumer charter he has just talked about, instead of merely telling us he has been studying the problem for months, as he was the co-chairman of the committee concerned. Receiving briefs is not all that matters; the recommendations they contain have to be put into practice.

If we have created a Department of Consumer Affairs, it is time, I think, to implement these important recommendations. This is why, I believe, the hon. Minister told us that he was very favourable to the amendments which we have introduced since last night. He studied them seriously and they will certainly be written into the statutes.

Unfortunately, there have been in the past, in the pharmaceutical field, scandals about products which had reportedly caused death or disabilities. However, we are still facing the same problem. Will the minister wait much longer still before putting these recommendations into practice? We do not want to

give him the impression that we want to split hairs but, on the other hand, we want him to make serious recommendations and to put into practice, as soon as possible, those made by experts and by responsible organizations across the country, a few months ago.

They are still waiting for the minister—and I congratulate him on his appointment—to establish a charter of consumer rights in order to protect the manufacturers who want to put quality products on the market and to take the necessary steps to eliminate "scrap" manufacturers and the dangerous products they make.

• (12:40 p.m.)

[*English*]

Mr. Basford: Mr. Speaker, again I concur with the hon. member in his concern about safety; it is also our concern. I have tried on a number of occasions to explain that in dealing with this bill I think it is vitally important for the safety of the Canadian public that the functions of the Commissioner of Patents and the Director General of the Food and Drug Directorate not be confused and that there be no overlapping of their functions. The Commissioner of Patents will grant a compulsory licence under the existing law or under this amending bill unless he sees good reason for not granting it. But if, in fact, a product produced pursuant to an interim or compulsory licence or patent process generally is not of the same quality or with satisfactory safety levels, this does not mean that the determination in respect of quality or safety will be made by the Commissioner of Patents. It will be made by the Food and Drug Directorate and the product, pursuant to the regulations we now have, will be taken off the market.

While such a finding by the Food and Drug Directorate would undoubtedly, I think, be taken into account by the Commissioner of Patents in deciding if he has good reason for not granting an application or interim licence, he cannot and should not be expected to make that finding himself. If he did he would be usurping the judgment of the Food and Drug Directorate and confusing the functions of the Commissioner of Patents and the Food and Drug Directorate.

I agree completely, and it is the position of the government, that drugs of improper quality or ones which do not measure up to safety standards should not be on the market. It is our position, however, that that decision must be made by the Food and Drug Directorate. Under the existing law they have the power to control all drugs which are on the market. If a drug is unsafe or not of proper quality it can be taken off the market. Just to ensure that the Food and Drug Directorate has this authority we have clause 5 in this bill which removes any shadow of doubt that they have the power to deal with drugs of improper quality or which do not meet safety regulations.

I think it would be quite improper for me to attempt to draw a law that would confuse the functions of the Commissioner of Patents and the Food and Drug Directorate. I think this amendment would create such confusion and that it is a confusion which should not be allowed.

[*Translation*]

Mr. Rondeau: Mr. Speaker, I would like the minister to explain how it is that drugs are found on the market which, in fact, are nothing but coloured dust? How can the minister argue that the regulations can automatically revoke the licences of manufacturers who, for years, have been cheating the public and pouring trash on the market? On the other hand how is it that, in spite of allegedly specific regulations, certain products are now polluting our water to the extent that the federal government will have to spend, within a few years, millions of dollars to fight it, and that the Minister of Consumer Affairs has failed to enforce any regulations whatsoever to forbid the manufacture of products likely to directly pollute the waters.

The Acting Speaker (Mr. Béchard): Order. I guess the honourable member was rising to ask a question but since it appears to be somewhat lengthy, I should remind him that he is only allowed to speak once under the rules.

Mr. Rondeau: Thank you, Mr. Speaker, for reminding me of the rules. My question, was a little lengthy maybe, but it is nevertheless important.

How is it that trash should be sold as pills and that products likely to directly pollute the waters are being manufactured under licences which allow manufacturers to operate?

[*English*]

Mr. Basford: Mr. Speaker, the Food and Drug Directorate is not within the Department of Consumer and Corporate Affairs, as the hon. member will appreciate. It falls

under the jurisdiction of my colleague the Minister of National Health and Welfare (Mr. Munro). Therefore, as I have said several times in this debate, I hesitate to give answers or make statements on behalf of the Food and Drug Directorate. I do not know exactly to what product the hon. member is referring. If there are pills on the market which contain nothing but dust, I am sure this can be dealt with under the existing regulations of the Food and Drug Directorate. If the hon. member would privately, outside the house, bring to my attention the particular product of which he is speaking I would be happy to bring it to the attention of the Food and Drug Directorate.

[*Translation*]

Mr. Matte: Mr. Speaker, I would like the minister to answer the question I asked earlier in the course of my statement. Is he aware of the fact that drugs are now being sold on the market the dosage of which is not the same in French and in English?

[*English*]

Mr. Basford: Mr. Speaker, I must again mention that the Food and Drug Directorate does not come under my jurisdiction. Again I am hesitant to give answers on their behalf. They do have a regulation, the precise nature of which I am not sure about, dealing with bilingual labelling of drug products. As I say, I am not sure of the precise nature of the regulation, except that I know it exists. Again, if the hon. member would like to bring this case to my attention privately outside the house I would be happy to see that my colleague the Minister of National Health and Welfare receives the information and brings it to the attention of the Food and Drug Directorate.

Mr. Rynard: Mr. Speaker, I wonder whether the minister would make inquiries so that he could provide the answer this afternoon, because this is an important point.

Mr. Basford: The Parliamentary Secretary to the Minister of National Health and Welfare is here. I will ask him to make the inquiry. He may have something to say this afternoon.

The Acting Speaker (Mr. Béchard): Is it the pleasure of the house to adopt the amendment?

Some hon. Members: Yes.

Some hon. Members: No.

[Mr. Basford.]

The Acting Speaker (Mr. Béchard): All those in favour of the amendment please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Béchard): I declare the amendment lost on division.

Amendment (Mr. Matte) negatived.

Hon. J. W. Monteith (Perth) moved:

That Bill C-102, An Act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, be amended by deleting in Clause 3 the words "to be sufficiently different in its composition from" in lines 12 and 13 on page 7 and substituting therefor the following words: "if it is not identical in its composition to".

• (12:50 p.m.)

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, the reason for this amendment is to narrow the field within which the Food and Drug Directorate will be able to say that a product made in one country and a product made in another country, both bearing the same trade mark, are the same. It is well known that here are no international trade mark agreements and that drugs with similar trade marks, although they are not numerous, can be very different in different countries. Under this bill the Food and Drug Directorate has the authority to say that a drug with such a trade mark, manufactured in any foreign country and imported into Canada, is the same as the drug manufactured in Canada if, in the opinion of the Food and Drug Directorate, the difference is not likely to result in a hazard to health.

It is well known that there are wide variations in the effects of drugs and chemicals when they are used in the human body and, indeed, if there is any variation in the chemical potency of the drug, it cannot be called safe unless elaborate tests to prove its clinical efficacy are carried out. The Food and Drug Directorate does not have the resources nor would it be economically feasible for it to carry out the elaborate tests necessary to prove that imported drugs and drugs manufactured in Canada are the same. Under the terms of the bill the Food and Drug Directorate may declare two products with the same trade mark equal if they do not think the imported drug to be sufficiently different to constitute a hazard to health. I feel that this

is open to a very wide interpretation. For instance, the formulation of vitamin preparations with some rare trace metals in them can allow for such differences that although they might not be injurious to health and might have the same effect on many patients, they might have no effect whatsoever on some patients. In such cases both the physician and the patient might be under the false impression that two similar trade mark drugs were the same.

May I remind the minister that the success of this bill in lowering the price of drugs will depend on the number of drugs that will be transferred out of the established pharmaceutical houses to copy houses. It will also depend to a large extent on the assurance of physicians that the tests carried out by the Food and Drug Directorate as to the safety of drugs are sound. In the final analysis it is the physician who is always responsible for the effect of drugs on his patients. The Food and Drug Directorate cannot assume the responsibility in any specific case; they can only generalize and say that they have done what they can to ensure the safety of drugs.

According to the information we received in the committee, any drug manufactured in a foreign country will have a label on its package containing information regarding the place of manufacture of the drug. However, I should like to point out that neither the physician who prescribes the drug nor the patient who receives it will have knowledge of this. Again, I should like to point out that confidence on the part of physicians and patients in the safety and effectiveness of drugs is most important.

I urge the minister to accept this amendment as I feel it is most important that when a physician prescribes a drug by its trade mark name—and approximately 85 per cent of drugs are so prescribed—the patient who receives it will be assured that the drug does not differ from any other drug with the same trade mark regardless of its place of manufacture. I point out to the minister that this amendment will apply to only a few products and therefore should not have any great effect on the price of drugs. It is a measure to ensure greater safety, and it is based on information which we received in the committee.

I am quite certain that the present director of the Food and Drug Directorate will interpret the clause in the bill before us very narrowly and that there will probably be no hazard to health as a result. However, he will not be in that position forever, and the definition of a hazard to health is open to a very wide interpretation. I venture to say that ten people speaking as experts concerning one particular chemical can have ten different viewpoints.

I urge the minister to consider at least narrowing the definition if he thinks he cannot accept the amendment. If in time experience shows us that it can be widened, we would then have the resulting benefit. I do not think a sufficient number of drugs would be involved to affect the price of drugs in general, and the trade in these drugs would not be great. This amendment, if accepted, would give an assurance to those people who prescribe drugs that the Food and Drug Directorate is doing all it can to ascertain that products with the same trade marks are of equal efficacy regardless of their place of manufacture.

Mr. Basford: Mr. Speaker, the purpose of this amendment is to change "substantial variation" to "any variation". If this amendment were enacted, it might completely nullify the effect of the proposed section 49A of the act. It would mean that extremely minor variations would result in the section being totally inapplicable, and in this way the amendment would deny the protection of the section for the importer of trade mark drugs. This would have a frustrating influence on price competition and would impair the effects of the bill.

I share the hon. member's concern for safety, but I am advised by the Food and Drug Directorate that the proposed amendment is unnecessary from the standpoint of safety. Minor variations can take place, such as the addition of small amounts of colour to a trade mark drug, with no hazards to health. In any case where a variation may amount to a significant hazard to health the Minister of National Health and Welfare (Mr. Munro), under a provision in the bill which I propose, can issue a certificate removing the protection afforded under this clause. Under clause 5 of the bill he has full power to control the importation of any drug, particularly of dosage drugs. As a result of the amendment proposed by the hon. member there would be a temptation to create minor differences. The existing proliferation of dosage forms already creates difficulties which would be compounded by the creation of these minor differences. This would cause additional confusion in the drug market, which is already confusing

enough. Therefore, for these several reasons the amendment should not be accepted.

The Acting Speaker (Mr. Béchard): Is it the pleasure of the house to adopt the amendment?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Béchard): All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Béchard): In my opinion the nays have it. I declare the amendment lost, on division.

Amendment (Mr. Monteith) negatived.

The Acting Speaker (Mr. Béchard): It being one o'clock I do now leave the chair until 2 p.m.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2 p.m.

Mr. Saltsman (for the hon. member for Vancouver-Kingsway): Mr. Speaker, I move:

That Bill C-102, an act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, be amended by inserting immediately after clause 5 (b) the following new subparagraph:

"(c) the regulation of drug manufacturing, importing, and distribution so that only drugs having a generic name be allowed to be sold in Canada,"

Mr. Deputy Speaker: The amendment having been put, may I say that I have some reservations about the relevancy of this amendment and some subsequent ones. I would be prepared to make a ruling now but I would not want in any way to prejudge the issue. If hon. members have comments to make about this amendment, I would be prepared to hear them now. Otherwise I could make a ruling.

Mr. Saltsman: Mr. Speaker, I recognize the difficulty that some of the amendments create. In view of the fact that I intend to speak very briefly on several of the amendments, I wonder whether I might be permitted to accomplish two things, that is, say a few words on the validity of the amendment as well as deal with the matter contained in the amendment.

The reason for introducing this amendment is to strengthen the bill beyond its present provisions. It is to recognize that the bill needs a greater measure of strength than it now possesses. This has been admitted by the minister, who has pointed out that the bill seeks to do some rather limited things and he is prepared to go beyond them if necessary.

One matter the minister has indicated he is prepared to consider and is in the process of examining is the question of an information bulletin that would indicate to physicians and pharmacists the generic names of the various chemicals on the market, their equivalents and their relationship to each other. In the long run, it seems to us that unless the emphasis is placed on generic names no really substantial savings can take place with regard to the cost of drugs.

At one time brand names probably served a very useful purpose. At the time of the cracker barrel it was important that there be some kind of national standard that was recognized everywhere. That was in the days of a rather permanent society before governments had departments which checked into safety, before there was a Consumer Affairs Department and before there were organizations concerned about national standards. Whatever the argument may have been initially for having national brands, and whatever the advantages may have been initially for having national brand names, today they have become a very serious liability in many industries, particularly the drug industry. For this reason I think the time has come when drugs should be sold on the basis of their intrinsic definition rather than on the basis of an artificially created name.

It has been said that if we in Canada were to move to generic drugs the people who buy them would save $50 million a year in total. I believe this to be the fact. I think the safety of drugs would be guaranteed by the inspection of drug companies and the very adequate resources of the Food and Drug Directorate. It is for these reasons that we are introducing this amendment. We hope the government will consider the importance of the suggestion we are making.

Mr. Deputy Speaker: Having listened to the hon. member, I still have the doubts that I expressed originally about this amendment. The hon. member for Winnipeg North Centre

would like to make a contribution on the relevancy of the amendment.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, since you seem to have some doubt I regard that as an invitation to me to try to remove your doubt. I do not know how thoroughly ingrained it is, but may I make the effort. We are, of course, at the report stage when, according to our rules, it is permitted to give notice of any motion to amend, delete, insert or restore any clause in a bill. I was reading from Standing Order 75, paragraph 5.

I recognize, of course, that this does not mean one can move an amendment about elephants in a bill that deals with apples and oranges; one still has to be relevant to the bill that is before us. The explanatory note to clause 5 of the bill with which we are dealing reads:

> The purpose of this amendment is to authorize the making of regulations under the Food and Drugs Act for the protection of the public in relation to the safety and quality of drugs manufactured outside Canada.

It seems to me that the amendment my colleague the hon. member for Waterloo has proposed is within that general framework and on that basis should meet the test of relevancy. I do not wish to argue by comparison, but it strikes me that it is at least as relevant to the bill before us as most of the amendments that have been considered to this point. That is why I think Your Honour should see it as in order.

In the case of one or two of the amendments yet to be proposed today, I confess to seeing some difficulty. But it would seem to me that this amendment and the next one, at any rate, are within the general terms of "regulations . . . for the protection of the public in relation to the safety and quality of drugs".

• (2:10 p.m.)

Mr. Deputy Speaker: I have listened to the views of the hon. member for Winnipeg North Centre but I confess that my doubts remain.

It is suggested that the proposed amendment must be read and considered in the light of the wording of the last two lines of new subsection (1a) in clause 5 of the bill so that we would have a construction reading as follows:

> 1a.—the Governor in Council may make such regulations governing, regulating or prohibiting—
> (c) the regulation of drug manufacturing, importing and distribution—

And so on. It is suggested that in tacking on the amendment to the clause it purports to amend, its inconsistency becomes apparent. It is suggested also that the amendment is not entirely relevant to new subsection 1a in clause 5 of the bill. That clause relates to the making of regulations respecting imported drugs.

The amendment, it is suggested, seeks to give the Governor in Council authority to make regulations in respect of the manufacture of drugs. If the amendment relates to the manufacture of drugs in Canada it is not relevant to clause 5 (1a).

In May's 17th edition, page 551, paragraph 7 states:

> If an amendment would make the clause which it is proposed to amend unintelligible or ungrammatical, or if it is incoherent and inconsistent with the context of the bill, it is out of order.

The same author states, as found on page 549:

> An amendment is out of order if it is irrelevant to the subject matter, or beyond the scope of the bill, or if it is irrelevant to the subject matter or beyond the scope of the clause under consideration.

Reference may also be made to page 567 where the same author states:

> —the rules of order respecting the admissibility of amendments in committee . . . are generally applicable to amendments moved on consideration—

This is the stage in which we are engaged at present. I must therefore rule that the amendment cannot be accepted.

Mr. Saltsman (for Mrs. MacInnis): Mr. Speaker, I move:

> That Bill C-102, an act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, be amended by inserting immediately after Clause 5 (b) the following new subparagraph:
> "(c) the permitting of hospital pharmacies, under the direction of a licensed pharmacist, to provide narcotics and control drugs on prescription under the Food and Drug Act and the Narcotic Control Act,".

Mr. Deputy Speaker: Again I must say I have reservations about this proposed motion. I do not want to prejudge the issue, though, and if the hon. member would like to make a contribution he may do so.

Mr. Saltsman: Thank you, Mr. Speaker. The purpose of this amendment is to urge upon the government the implementation of a recommendation contained in the report of the Royal Commission on Health Services, the Hall Report, which would permit licensed pharmacists to provide narcotics and control

drugs on prescription. It goes beyond the specific question of control drugs to the general question whether hospital pharmacies should be permitted to dispense to the general public.

It is our feeling that wherever it is possible within the federal jurisdiction to encourage hospital pharmacies to dispense to the general public this should be done as a way of providing more competition in the retail market and as a way of giving people an opportunity to buy drugs at the lowest possible price. It has been the experience of many people who have been able to get drugs at hospitals, when they were outpatients, for instance, that they could do so at about one-third of the normal cost. And the hospital was able to recover its cost. We believe that if this method of competition were encouraged the price of drugs to the general population could be substantially reduced.

Mr. Deputy Speaker: I might make some comment about this amendment. It appears to be irregular on much the same grounds as the previous amendment.

It is inconsistent in form and meaning with clause 5 (1a) which it purports to amend. Furthermore, it is suggested that it too goes beyond the bill now before the house since it also purports to amend the Narcotic Control Act. It would seem that one of its effects would be to modify or regulate a provision or provisions in the latter act, and if it were adopted it is suggested that the title of the bill now before the house should be amended to indicate that the bill also amends the Narcotic Control Act. For these reasons the amendment cannot be accepted by the Chair.

Mr. Max Saltsman (Waterloo): Mr. Speaker, I move:

That Bill C-102, An Act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, be amended by inserting immediately after Clause 5 (b) the following new subparagraph:

"(c) the establishment of a Crown Corporation on behalf of Her Majesty which shall be empowered to manufacture, sell, distribute and promote drugs offered for sale in Canada,"

Mr. Deputy Speaker: Again I confess to certain misgivings about this amendment but I am prepared to hear the hon. member for Waterloo briefly on the question.

Mr. Saltsman: Thank you, Mr. Speaker. We believe this amendment is relevant to the bill because it involves one of the principal means by which competition can be injected into the drug market. A number of questions were raised regarding this amendment when it was put forward in the committee and perhaps I might take a moment to deal with them.

First, let it be clearly noted that this is not a proposal for the nationalization of the drug industry. What we are calling for is the establishment of a competitor, a proprietary drug corporation which would provide competition in the drug field, one which is obviously becoming monopolistic, as a result of which prices are far too high. It is not important that this crown corporation take a very large share of the market. All it needs to do is to take a relatively small portion, as was done by some of the Swedish co-operatives, to indicate to the others concerned that they will have to lower their prices. A corporation of this type would be run very much like any other business. The chief advantage flowing from it would be the provision of real and effective competition.

The question of what would happen to the drug industry as a result of the passage of this bill has been raised and it has been said by some that imports will destroy the Canadian industry. I do not believe that will actually happen, but I urge those concerned about the maintenance of an indigenous Canadian drug industry to support our proposal for the establishment of a crown corporation because in a way this would obviate the necessity of importing drugs.

• (2:20 p.m.)

The government has indicated some measure of support and encouragement of some of the smaller drug companies in Canada in order to develop some competitive forces in the drug market. This would seem to be the aim of some government measures. This crown corporation could act as a useful marketing agency for new drug companies. Much of our drug marketing at the moment is done under national brand names. A crown corporation such as we propose would receive instant credibility and acceptability on the part of the public. It could establish its name in the marketplace and market on behalf of smaller companies products that might be more worthy but at the same time not readily accepted by the public or against which propaganda might be waged by the larger companies.

There has been increasing evidence that one of the great difficulties facing the small manufacturer in Canada is the vicious whispering campaign that has been conducted by the major drug companies against their competitors. These competitors, the smaller manufacturers, have been very effective in reducing

drug prices. This proposed Crown corporation could assist these small companies to compete against the larger companies, and would receive the assistance of government credibility. For that reason I suggest such a corporation would be of great value to Canadians in their fight for lower drug prices.

Mr. Deputy Speaker: I might point out to the hon. member for Selkirk that I was listening with some patience to the hon. member for Waterloo. The point at issue at this stage is not the substance of the amendment but whether the amendment is admissible. I am prepared to rule now on the admissibility of the amendment.

Clause 5(1a) of Bill C-102 deals only with the making of regulations respecting imported drugs. The amendment, if adopted, would necessitate the setting up of a crown corporation for the purpose, among other things, of manufacturing drugs in Canada, and in doing so goes well beyond the purpose of the bill and would have the effect of creating a public charge.

Reference may be made to paragraph 13 of May's 17th edition, page 551, where it is stated:

> Amendments or new clauses creating public charges cannot be proposed, if no money resolution or ways and means resolution has been passed, or if the amendment or clause is not covered by the terms of the resolution.

Furthermore, as stated in paragraph 1 on page 549 of May's 17th edition:

> An amendment is out of order . . . if it is irrelevant to the subject matter, or beyond the scope of the clause under consideration.

For the reasons stated I regret to say that the amendment is not in order.

Mr. Max Saltsman (Waterloo): Mr. Speaker, I move:

> That Bill C-102, an act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, be amended by inserting immediately after clause 5 (b) the following new subparagraph:
>
> "(c) the prohibition of distribution of drug samples by drug manufacturers for purposes of advertising and promotion, except when a physician or the pharmacist makes a separate specific written request for samples of the particular drug or drugs in which he may be interested,"

Mr. Deputy Speaker: Again I confess certain misgivings about this amendment but I am prepared to hear the hon. member for Waterloo briefly.

Mr. Saltsman: Thank you, Mr. Speaker. I must remark on your great constancy and patience. In view of the apparent difficulty that has been created in attempting to amend this clause in the particular way we have outlined and in the interests of expediting the work on this bill and the desire of almost all of us to see the bill become law, we would be prepared to withdraw this amendment as well as the next amendment. We will indicate our position in the debate on third reading.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Amendment (Mr. Saltsman) withdrawn.

Mr. Deputy Speaker: Am I to understand that the hon. member for Waterloo proposes to withdraw amendment No. 13 as well as No. 12?

Mr. Saltsman: That is correct, Mr. Speaker.

Mr. Deputy Speaker: The house will now turn to amendment No. 14 in the name of the hon. member for Perth.

Hon. J. W. Monteith (Perth): Mr. Speaker, I move:

> That Bill C-102, an act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, be amended by adding clause 6, as follows:
>
> "6. Within two years of the coming into force of this act, the Minister of National Health and Welfare shall prepare and table in Parliament a report reviewing the operation and the effect of the act and all regulations enacted thereunder and the said report shall be considered by parliament and its appropriate committees."

I do not intend to speak at length on this amendment, but the principle of it was first introduced this session by the members of the other place when they proposed an amendment to the hazardous substances bill somewhat along these lines. Despite the rather strong criticism of the industry by the hon. member for Waterloo (Mr. Saltsman), I feel that it is an important one. Incidentally, I am surprised that we have not heard, either yesterday or today, from the hon. members for Laprairie (Mr. Watson), Lachine (Mr. Rock) and Vaudreuil (Mr. Emard) who were so vehement in their remarks in committee. I would have liked to see them here today to present their case and to support me in mine.

However, as the evidence indicates, this industry employs some 10,000 workers, about 2,500 of them university graduates. I think there is a responsibility to let the house know just what is going to happen to this industry and what has happened to it in the past. I am not holding a brief for the industry as such, but I think it has been proven that as a result

of certain policies of this government other industries have suffered.

The hon. member for Lotbinière (Mr. Fortin), I believe on second reading, as reported at page 4408 of *Hansard* related what had happened to the footwear industry in Quebec. I raised a question in the house not long ago in connection with what is happening to the textile industry, and only this morning I received the progress report for March, 1969 of the Stratford Industrial Commission which points out that Cluett-Peabody of Canada has closed a factory in Stratford that employed 160 people. This is undoubtedly the result of imports, primarily from low-wage countries. This may happen with other industries, and it is what frightens me.

I feel there should be some reporting back to the House of Commons on the results of this bill. If we do not insist upon a report back to the house by the minister, then we are going to be governed by the civil service with no report made to the people. We are the people who must know what is happening as a result of this legislation. I will not say anything more, but I do feel we are entitled to know what happens as a result of legislation passed by this house.

• (2:30 p.m.)

Mr. Basford: Mr. Speaker, may I say a word about the amendment that has just been moved. The matter presents me with some difficulties. The bill before the house seeks to amend three acts of parliament and it would be very difficult, if the amendment were adopted, to bring in a report dealing with those three acts in the way that has been suggested. This bill seeks to amend the Patent Act. The Commissioner of Patents is already required under that act to report to parliament. The activities of the Trade Marks Office pursuant to the amendments to the Trade Marks Act and the activities of the Food and Drug Directorate pursuant to the amendments to the Food and Drugs Act will be reported on annually. My department reports on matters pertaining to the Trade Marks Office and my colleague, the Minister of National Health and Welfare, reports on the activities of the Food and Drug Directorate. I therefore think that there are already adequate provisions within the law for reporting to parliament.

May I point out that under our new rules the estimates of each department, including the Department of Industry, Trade and Commerce, are examined in committee. Each year the members of the appropriate standing committees of this house will be able to examine the activities of the Departments of Industry, Trade and Commerce, National Health and Welfare and Consumer and Corporate Affairs, and determine how those departments have been affected by the amendments now being brought in. There is already adequate provision for parliament to examine continuously the operation of these amendments. I do not think anything further is required.

Mr. Deputy Speaker: Is the house ready for the question?

Some hon. Members: Question.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

Amendment (Mr. Monteith) negatived.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs) moved:

That Bill C-102, an act to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act, as reported (without amendment) from the Standing Committee on Health, Welfare and Social Affairs, be concurred in.

Motion (for concurrence) agreed to.

Mr. Deputy Speaker: When shall the bill be read the third time?

An hon. Member: By leave, now.

Mr. Basford moved the third reading of the bill.

He said: Mr. Speaker, in beginning the debate on third reading I plan to be brief. I should like again to remind the house that there are five points to the government program to reduce drug prices. I discussed these at length when I spoke on second reading and in the committee.

The first of these points was the removal of the sales tax on prescription drugs, the reduction of customs duty on these products from 20 per cent to 15 per cent and the narrowing

of the application of dumping duty to drug imports. The second point was the introduction of this bill. The third was the development of a drug information service for doctors, a recommendation of the Harley committee, which is now being developed by the Food and Drug Directorate. The fourth point, or step, was the Pharmaceutical Industries Development Assistance program known as PIDA. This is now in operation and is designed to strenghten and improve the efficiency of that sector of the pharmaceutical industry which manufactures and sells prescription drugs at lower prices. The fifth and final step in this program involves discussions with the provinces and is designed to tackle the problem of the high cost of retail distribution of drugs which, of course, is primarily of provincial concern. These discussions will commence after this bill has been passed. My view was that I ought to devote my energies at this time to piloting this legislation through parliament.

It is the government's expectation, as well as mine, that the effect of Bill C-102 will be substantially to increase price competition in the Canadian drug industry. We anticipate this increased competition will occur in three ways. In the first place we anticipate that at least some of the larger drug companies which operate on an international scale will themselves be seeking compulsory licences pursuant to the provisions of this bill to supply drugs in competition with present patent owners. We know of at least one large drug company which intends to take advantage of the provisions of this legislation.

In the second place we expect that compulsory licences will be sought by the smaller Canadian-owned companies which are being strengthened by the PIDA program. I refer to companies with marketing strategies involving a low price policy. The extent to which these smaller companies will have an impact on the general level of prices depends primarily upon how much confidence physicians have in their products. This emphasizes the importance of the information service being developed by the Food and Drug Directorate. In the third place, where drugs in dosage form are available in other markets at substantially lower prices than they are in Canada, the amendment to the Trade Marks Act will permit the importation from abroad of such drugs properly trade marked by the parent companies of Canadian subsidiaries.

In the committee stage there was a good deal of discussion of the effects this bill might have on the structure of the industry. The Harley committee had before it ample statistical and factual evidence concerning the drug industry in Canada, as is apparent from their report. They also had before them a statement of the Director of Investigation and Research under the Combines Investigation Act concerning the fundamental issues which required a consideration of the social costs and benefits of alternative arrangements for supplying drugs to the Canadian market. One such fundamental issue so suggested is whether the drug manufacturing industry ought to be preserved in Canada in exactly its present form, which would require the continuation of present protective devices the industry considers necessary but which deny Canadians access to a less costly supply of drugs. It was also pointed out that to remove significant elements of that protection by extending compulsory licensing to imports should lower the prices of drugs reaching the Canadian market but may well shift some sources of supply to plants abroad.

The committee were clearly conscious of their responsibility in dealing with the fundamental issues, as appears in their report. I quote what they said at page 6:

> —the Committee's conclusions must be such that any of its recommendations, if adopted, should continue to maintain a proper balance between industry and consumer and take into consideration the importance of continued and increased scientific research in Canada. No recommendations could be considered, which, although designed to lower drug prices in Canada, might produce drugs of questionable safety or have a detrimental effect upon other aspects of the Canadian economy. How such a balance between consumer interest in price and continued pharmaceutical research (one of the professed causes of high drug prices) may be maintained, and the resulting effect on the drug industry will be discussed as this report proceeds.

It must be remembered that the committee made its recommendations in the light of the basic principles thus expressed and these recommendations include the principles of compulsory licensing for imports and reduction of trade mark protection which are the essentials of Bill C-102. It is obvious that the Harley committee, the recommendations of which were unanimous, had weighed the social costs and gains resulting from their recommendations and had, in so doing, decided that the recommendations should be made.

Before concluding, I want to say a word about safety, which has been dealt with at length on behalf of the Minister of National Health and Welfare both in this house and before the standing committee. I would like during this third reading debate simply to

refer to the four provisions in Bill C-102 which relate to the question of safety.

The first provision is subclause 13 on page 4 under which notices of an application for a compulsory licence or an interim licence must be given by the Commissioner of Patents to the Department of National Health and Welfare and possibly other departments. The main purpose of this is to allow the Food and Drug Directorate to become aware of the application and to take any steps it deems necessary to prepare, to scrutinize or control the importation of the drug under the licence.

• (2:40 p.m.)

The second provision relating to the program of safety and quality control is to be found in subclause 16 on page 5 which is inserted out of an abundance of caution to make it clear that nothing in a licence or interim licence granted by the Commissioner of Patents shall be construed as conferring upon any person authority to do anything that is contrary to the requirements of the Food and Drugs Act and regulations. This provision was not in Bill C-190.

The third provision relating to safety and quality control is in subsection 2 of new section 49A on page 7 which permits the Minister of National Health and Welfare to control a situation, if it should develop, where a trade marked drug imported into Canada differs from a Canadian drug similarly trade marked, and is therefore liable to cause confusion, and where the difference in composition between the two is such as to be likely to result in a hazard to health. No such situation has been brought to our attention in any significant, actual case, but as we would not wish such a possibility to occur we have placed this safeguard in the bill, and this differs from Bill C-190.

The fourth provision relating to safety and quality control is the new clause five on page 8 which has been added since Bill C-190. This will give the Governor in Council power to make regulations, to be administered by the Food and Drug Directorate, regulating or prohibiting the import of drugs into Canada and the distribution and sale of those drugs in Canada. These regulations may be such as are deemed necessary for the protection of the public in relation to the safety and quality of any imported drugs. The intention is to place beyond doubt, if this were needed, that the Food and Drug Directorate has complete and flexible control, through its regulations, over all imported drugs, including of course drugs imported by the established companies.

[Mr. Basford.]

May I conclude by saying that in view of the long period of time during which the high cost of drugs has been examined in this house and elsewhere, and in view of the importance of the matter, I urge the house to give speedy passage to this bill. I thank the house for its co-operation last night and today in dealing with the amendments on the report stage.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I wish to compliment the minister for piloting this bill through the committee stage and the house. I wish to thank him particularly for his courtesy during the committee stage. I will be brief as this subject has already been discussed.

I believe that the approach of this bill meets with general acceptance by Canadians. It results from the Harley report and others before it. The Harley report adopted the attitude that if we do not prevent or reduce the incidence of propagation of new drugs there will be price reductions. I think this is quite true.

In the committee we asked for some indication as to what effect this bill would have on the industry. The answer always was that no one knew and only time would tell. I think this is correct. Much will depend on how many import or export licences and compulsory licences are issued. It is time this bill was made law as the minister has been in a state of suspended animation for some months or years. He will now be able to decide what attack he will pursue.

The industry is international in scope and I feel it will likely remain this way in the foreseeable future. It is unfortunate that the Canadian industry did not attempt to institute a giant chemical or pharmaceutical company that could compete in world markets. In this way we could get back some of the money that has been sent out of this country.

I hope the industry will not be subjected immediately to too much distortion and that the price of drugs will be reduced. The introduction of new drugs or companies brings with it a safety factor. Drugs are not like mousetraps and similar items which can be easily appraised by the public.

The safety factor costs the taxpayers money. The food and drug estimates this year are approximately $12 million. Forty to 50 per cent of this amount will be spent on safety. This represents $5 or $6 million, which is considerably more than previously budgeted. The directorate is of the opinion that there will be a host of new drugs or copies on the market which they will be compelled to

examine. Consideration will have to be given to some substantial reduction in the manufacturing cost of drugs to pay for what the government is spending to have the Food and Drug Directorate police this operation.

I hope research will not suffer. Canada carries out a small but significant amount of research in this field involving the employment of a considerable number of our university graduates. We were informed in the debate last Tuesday that university graduates are looking for employment opportunities in this field. It would be unfortunate if this research was phased out and carried on elsewhere.

The supplying of drug information or promotion is a sore point but unfortunately this activity is necessary to some degree. The Russian drug industry complains bitterly that there is not sufficient promotion and physicians and institutions use the drugs the pharmaceutical industry of that country promotes. The government is going to get into the field of promotion by providing a drug information chart. One wonders how effective this information will be in view of the fact that the average physician receives 20 or 30 sheets of drug information per day. I hope it will be of some value inasmuch as initially $400,000 or $500,000 is being spent in this connection.

I wish to comment on drugs for elderly persons. Much has been said about this bill lowering the prices of drugs which will assist the elderly and infirm. Unfortunately it will be of little value to these people. Even if the profits of the drug manufacturing companies were reduced to zero, the saving would only be a few dollars now to those chronically ill elderly persons who spend from $10 to $40 per month. Our society will have to look for some other way to provide for these people. A great deal is expected of this bill that will not be forthcoming. Consideration should be given to a drug subsidy for chronically ill people. Many provinces are already doing this.

The statement of the minister emphasized that the probable effect of this drug bill could well be the importation of drugs from outside Canada. The manufacturing of drugs in this country is almost completely concentrated in Toronto and Montreal. If this bill does what is suggested, then the fact that more drugs will be imported from overseas will create a better trading balance for those parts of the country that are far away from the manufacturing centres of Toronto and Montreal. I speak particularly of western Canada with its resources-based economy, exporting its products to Japan and western Europe. In turn we can now expect that drugs imported from outside Canada will be manufactured in Japan, one of our Pacific rim trading partners, and in the countries of western Europe such as England, Germany, France and Switzerland. As a result this bill may encourage better drug manufacturing facilities all over the world and benefit us all materially in that way.

• (2:50 p.m.)

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I express the hope just as earnestly as the Minister of Consumer and Corporate Affairs (Mr. Basford) that the passage of Bill C-102 will be of immediate tangible benefit to the drug consumers of Canada. While I share this hope I am not as optimistic as the minister that the bill in fact will have that kind of result. It is my sincere belief that the bill once passed will have a marginal beneficial effect.

I do not intend to say anything at all about the issue of quality control and its implications so far as the bill is concerned. My colleagues spoke at length about it during the committee hearings, and last night my colleague from Winnipeg North put considerable evidence on the record to show that there is considerable disagreement among the top experts in the field on this matter. Quite a number of experts in the industry made very plausible arguments that the bill's effect would be to cast serious doubt upon our ability to maintain quality control at the same high level as in the past. On the other hand, the former commissioner of the United States food and drug directorate said we should not take too seriously much of what was said by spokesmen for the industry in connection with quality control and generic drugs.

With respect to the price of drugs it seems to me that Bill C-102 will go part way toward reaching the goal we have in mind. It would be far more effective had the government seen fit to cast aside its ideological bias and accept the kind of thinking implicit in one of the amendments that my colleague from Waterloo wanted to move earlier today. I refer to the amendment calling on the government to establish a crown-owned drug manufacturing corporation. I urge that this be done if for no other reason than that it would have a beneficial effect by serving as a yardstick with which to compare the operations and the pricing policies of the private drug manufacturing corporations.

I know that traditions in this country and in the United States are not quite parallel with respect to the important questions of public ownership and public regulation and deciding which of these can more expeditiously serve the public interest.

In Canada in the past, although perhaps not frequently enough, we have not hesitated to resort to public ownership in the form of crown corporations. I need not take the time of the house to cite examples, but it seems logical to me that serious thought should be given to the establishment of a crown corporation in the drug industry.

As my colleague took pains to point out, we in this party do not have a gigantic crown corporation in mind, one that would serve as a monopoly or an oligopoly, but one that would undertake a significant percentage of the industry's production, say 10 per cent, 15 per cent or something like that. It would serve as a useful yardstick by which to compare the rest of the industry.

Experience in the post-war period has shown that we make a mistake when we put too much reliance and confidence in public regulation of private industry as a means of protecting the public interest. Just a few days ago I had the privilege of having dinner and a long conversation with a man who was a chief economist with the Federal Communications Commission in the United States, a man intimately connected with the function of public regulation of privately owned corporations, in this case communications carriers. After years of work and responsibility his experience was that it is a very costly, painful, bureaucratic, red tape ridden and largely ineffective system, and that often, one could make a very logical and ideologically unbiased argument for public ownership, not public ownership in the sense of monopolizing an entire industry but in the sense of having a corporate presence under public ownership large enough that it could compare favourably in size with those under private ownership.

When one looks at the experience that the public has had in the past decade in Canada and the United States with the large corporate giants in the field of drug manufacturing, one cannot help but conclude that these are indeed corporate monsters.

Several months ago some state and local governments filed suit in the United States against five American drug manufacturing corporations charging that they had overcharged their customers, in this case state and local government purchasers, to the extent of $120 million over a period of a few years. This does not take into account the many billions of dollars spent by individuals for drugs, so that one has only a small inkling of the order of magnitude of the problem. The firms prosecuted were Charles Pfizer and Company, American Cyanamid Company, Bristol-Myers Company, Olin Mathieson Chemical Corporation, and the Upjohn Company. The case was heard before the New York district court of appeal and a decision was rendered sustaining the plaintiff, the state of New York. The drug companies were found guilty and restitution was ordered by the court.

• (3:00 p.m.)

It seems to me when we face a problem of this magnitude we should be prepared to give serious consideration to any logical method of attack on the problem. I am not saying the introduction of regulations, the introduction of compulsory licensing, or the changing of the Patent Act, the Trade Marks Act or the Food and Drugs Act are not helpful. However, one can sum up what the minister is hoping to accomplish by this bill. The hope is that by opening up the door a little and allowing the winds of international competition to blow into the industry there will be beneficial effects. I certainly hope so. But, in itself, that is not enough. I suggest that rather than holding committee hearings to decide whether this bill is of any value, we should be holding studies and investigations into the advisability of establishing a publicly owned drug manufacturing corporation with a view to providing competition and a yardstick by which to measure other firms engaged in this industry. I think this is a very sensible suggestion.

It would not surprise me if someone were to say that I am making this proposal simply because of my ideological bias as a social democrat. I suggest that failure to give this proposal serious consideration would indicate a doctrinaire attitude or ideological bias on the part of those on the other side even more pronounced than that on this side.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, six members of our party at least had yesterday the opportunity to stress the points that seemed to be the most vulnerable in that bill and I will not dwell on them any longer. The minister said a while ago that he had thoroughly considered those amendments and that

he intended to apply the legislation so as to avoid all the mistakes which were detected. That is why we moved our amendments.

It is unfortunate that we sometimes have to take drugs. We therefore wanted at all costs to obtain the assurance that the drugs would comply with certain standards of quality.

The problem affects everyone today, particularly in our North American society where life is so hectic that, much too often, we use drugs.

Publicity must not encourage the use of those products, as some amendments seemed to suggest, and they should be used only under doctors' prescriptions.

If the minister is serious in his intention to have the legislation fully enforced, and to favor the consumer, we hope that the bill will help solve the problem of exorbitant drug prices.

As this is an area where mediocrity cannot be tolerated, the quality of the products is of the utmost importance and it must be on a par with reasonable prices, for that is the purpose of the bill, and we hope that the minister will succeed in this endeavour.

It must also be ascertained that the importance of the Canadian drug industry is not impaired in favour of foreign manufacturers.

[*English*]

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I think this debate is an indication that there is a great interest on the part of members in all parts of this house in this bill. My colleagues have said over and over during this debate that we support Bill C-102. We congratulate the minister for bringing it forward. We believe, however, that it is a timid piece of legislation and that ultimately it will not do a great deal to limit the scope of the extortionist tactics carried on by the Pharmaceutical Manufacturers Association of Canada. Many Canadians, and I refer specifically to the poor and the elderly, can scarcely afford drugs at cost let alone at the excessive rates imposed on them because of the monopoly position enjoyed by the brand name drug manufacturers or, as they prefer to be known, the ethical drug manufacturers.

These so-called ethical drug companies imply by their employment of that term that any drug manufacturer that does not belong to their chummy little international club is by exclusion unethical. To the P.M.A.C., "unethical" usually means price cutting and they maintain a constant vigilance for any threat to their society which would involve price cutting as it relates to the patent companies. We maintain that to be sick is tragedy enough, but that to be robbed in addition is a crime against which our government should protect us.

I, and others, have said that this bill will do very little to bring down the cost of prescription drugs to the Canadian public. But Canada is not the only country which has had to face this issue. It might be well to note some of the problems other countries have had and the steps they are contemplating to fight the drug cartel.

On August 30, 1968 the U.S. task force on prescription drugs published its second report in which it calls for a drastic overhaul of the existing system of drug merchandising and prescription dispensing. The report scored the molecular manipulation of existing drugs—the "me too" drugs—which is called research but which in reality is an elaborate, wasteful exercise undertaken in order to win a new patent or a renewed patent. The task force refuted the allegation by the industry that prescription drug costs had been dropping and noted that this industry is skilled in introducing new costly products to replace cheap ones.

Finally, the United States report goes to the social nub of the problem, the elderly segment of society, and recommends the following:

> We find therefore, that the requirements for appropriate prescription drug therapy by the elderly are very great—far greater, in fact, than those of any other group—and that many elderly men and women are now unable to meet these needs with their limited incomes, savings or present insurance coverage. Their inability to afford the drugs they require may well be reflected in needless sickness and disability, unemployability and costly hospitalization which could have been prevented by adequate out-of-hospital treatment.

• (3:10 p.m.)

If this is a true reflection of the drug scene in the United States and reflects their concern, we in Canada should be equally or more concerned since we have a similar proportion of elderly citizens who are affected, and, if anything, our drug prices are reputed to be higher.

What is the story in Britain? I am afraid it is the old one of a privileged manufacturing position and high level gouging of the public for needed prescriptions of brand name drugs. A government probe into the drug industry there, under a commission headed by Lord Sainsbury, proposed drastic controls

on drug prices and profit margins. The British commission wants also to limit promotion and advertising and to abolish all brand names for new drugs.

In a report on the problem in *Business Week* of October 7, 1967, Lord Sainsbury charged that the national health service had been the victim of "excessive prices" to the extent of several million pounds over a period of three years. The commission also severely criticized the drug industry's annual promotion expenditures of $42 million per year, half of which went to the company's detail men.

Here is what the British commission proposes should be done to bring down the cost of drugs: First, the abandonment of brand names for all new drugs and the use of generic names instead. This was proposed, I suggest, because brand names tend to extend the monopoly position since they are well known long after the protection of the patent expires. Second, the British Commission proposed the filing of a cost report for all new drugs and all existing drugs with sales over $700,000 a year, including anticipated sales, proposed selling prices and proposed profit margins. Presumably this recommendation is a result of the commission's discovery—incidentally confirmed in Canada—that these show little relationship between the cost of production and the ultimate selling price of prescription drugs.

The third point that the British commission made was that they would like to see established a medicines commission to licence drugs on the basis of safety and effectiveness, to control advertising and to approve generic names. Certainly some of the debate here has emphasized the need for safety, and for biological and chemical equivalency. We in this part of the house can do nothing but applaud efforts in Canada to increase the government testing staff to better ensure that the public is protected. However, we must never conclude that generic drugs are unsafe nor that brand names have some heaven sent monopoly on safety, for it must be remembered that both Thalidomyde and Cutler Salk polio vaccine were either brand name or ethical drugs, not generics at all.

The Swedes have not pussy-footed around this drug price problem either. The government of Sweden is threatening to nationalize the drug industry if drug prices do not come down. A Swedish drug lobbyist, Mr. R. Westerling, as reported in the Toronto *Star* of July 29, 1968, said: "American prices of eight popular drugs are 76 per cent above those in Sweden". Drug prices appear to be about 10 per cent higher in Canada, so that would make the cost of our drugs 86 per cent higher than the cost in Sweden.

The same article concludes as follows:

> Isn't it time the Canadian pharmaceutical manufacturers stopped howling as if ruin and outrage were about to descend on the drug industry? Isn't it time that the P.M.A.C. stopped affronting parliament with phoney and specious excuses for soaking the sick.

A layman might be forgiven for asking how all this came about. How could one industry insinuate itself so intimately into the medical profession and government agencies that country after country contemplates steps or has taken them to prevent its citizens from being "rooked" by the drug industry? How do they get away with it?

I think it is necessary to realize that the patent medicine and prescription drug industry has proceeded on a broad front to solidify its position over a long period of time. Here are some of the ways this industry has been allowed to go about it.

One of the most damnable reasons is the myth held by free enterprise parties that competition between manufacturers is enough to ensure fair and equitable prices, and that the government let industries and professions police themselves. The procedure, of course, whether we talk about the drug industry, the electrical industry or the insurance industry, is that the big fish first of all eat all the little fish. Then, in turn, they get together and agree on a fixed price, which defeats the concept of free enterprise and free competition.

To give one example of this, as was mentioned by my colleague, the hon. member for Selkirk (Mr. Schreyer), on December 29, 1960, a federal court in New York city convicted three leading firms of criminal anti-trust violations involving the antibiotic tetracycline and two chemically related, broad spectrum "wonder drugs". These firms were Charles Pfizer, American Cyanamid, and Bristol Myers and Company, the conspirators named by the court. E. R. Squibb and the Upjohn Company were ruled guilty and the court fined the firms $50,000 each for conspiring to fix prices.

During the prosecution it was revealed that American Cyanamid's cost of production for one hundred 250 milligram capsules was $1.50. However, the cost to the pharmacist charged by all five firms was $30.60 for the same number of pills. So much for price fixing. Undoubtedly, other examples could be

cited. So much for the free rein of competition as it exists in the drug industry and, I assume, in many other industries as well.

The second point I should like to make is that the medical profession cannot escape its share of responsibility in the matter of high drug costs. It has been far too uncritical of the claims of detail men, the drug financed medical journals and the letters of correction forced upon the companies by the action of the food and drug administration.

Morton Mintz, a Washington *Post* reporter, who has made a specialty of ferreting out the sins of the drug industry had this to say in the *New Republic* of July 6:

> In few areas of our mass-marketing technological economy is the medieval doctrine of "caveat emptor" less relevant than for prescription drugs.

The late Senator Estes Kefauver described it in this way:

> He who orders does not buy, and he who buys does not order. For a patient the issue is more than economic; a potent medicine that is ineffective or less effective or safe than other preparations, may injure or even kill . . . It is, therefore, of high importance to the public health that the physician not be misled about the proper uses of the drugs that can be sold only if he prescribes them.

Since the 1962 Kefauver-Harris amendments to the U.S. food and drug act which required prescription drug advertising to carry a true statement, in brief summary, the F.D.A. has taken 33 formal actions against 26 manufacturers, including the largest and most prestigeous in the prescription field, and forced them to retract in the Physicians' Desk Reference and in letters of correction.

In 1967, the F.D.A. invited comments on new regulations to tighten up deceptions brought to light in corrective letters. Not one U.S. medical group or practitioner responded in support of the F.D.A. This suggests to me either an apathy or an outright complicity. The physicians seem to enjoy being fooled, and so deception of physicians continues to be a profitable pursuit.

Third, the responsibility for deception rests with advertising of one kind or another. It has been reported that in excess of $3,000 spent on advertising and promotion per doctor per year adds between $600 million and $850 million annually to U.S. prescription costs. With so much at stake it is little wonder that the U.S. news media give little prominence to charges brought by the F.D.A. in an attempt to eliminate deceptive advertising. This is a lucrative bread and butter item for newspapers, radio, magazines and TV. Therefore, we cannot depend on these media to kill the goose that lays the golden egg any more than we can depend on the industry to police itself.

That spurious advertising is widespread may be underlined by the results of an exhaustive two year review of the efficacy of 3,640 pharmaceutical products marketed in the U.S. between 1938 and 1962. A preliminary report released by the National Academy of Sciences and the National Research Council provides further ammunition for the critics of the drug industry. According to the report, only 10 per cent of the drugs wholly live up to the claims made for them by their makers. About 10 per cent will probably be denied market privileges for lacking the therapeutic value claimed for them. This leaves 80 per cent of the drug products which are deceptively advertised beyond the limits of their usefulness. These statistics are contained in "Fortune" of July, 1968. So let the buyer beware all right, and the physician and governments too, Mr. Speaker.

• (3:20 p.m.)

It seems to me that an irrefutable case has been made by previous speakers over the past few days of this debate. I think few will disagree that the evidence is damning. I do not think this little bill by itself will do much to lower drug prices far enough, and neither do my colleagues. It might frighten some companies into making some temporary price adjustments. The bill is really only a sabre-rattling exercise. Two or three years from now, when the evidence proves inescapably that we should apply further corrective measures, please let us not hear a plea to substantiate further moves by more studies. We have already studied this matter to death, and so have other countries. Further studies will be just another stall, an excuse for not taking action.

We have had the Restrictive Trade Practices Commission study of 1963, the Hall Commission study of 1964, and the study undertaken by a parliamentary committee whose report resulted in the siring of this bill. We have the United States studies, the British commission and the Swedish experience at our disposal. They all say the same thing, that is, that the cost of prescription drugs is too damn high; and we have listened to the reasons ad nauseam.

So, let us get tough, if we have to. Let us get on with the job of protecting the patient, because he cannot do it himself. But whatever happens, Mr. Speaker, in the next three or

five years, in order to get on with the job one thing we do not need is more studies.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I want to congratulate the minister on his cool.

Mr. Basford: On what?

Mr. Rynard: On your cool. Actually, the minister was so cool that we never got him to the point where we could thaw him out. Not an amendment was agreed to by the minister. He was so nice about refusing them all that we could not even just get up and walk out. I also congratulate hon. members who have contributed to this debate. I am sure this is a matter of great concern to everybody in the house. I am sure it is also of great concern to the minister. All hon. members have tried to do the best they can in presenting their views in this respect. Parliament must accept responsibility for passing this bill. We are responsible for seeing that it is a bill that does some good for the people of Canada, who are paying the shot.

We are also responsible for seeing that the bill does no harm. This is what bothers me, because certain fundamental principles have been forgotten. In fact, the very principle that drug safety must be paramount, as emphasized by the Harley Committee, was negated when this bill was brought forward by the minister. I have a high regard for him, but here we have a food and drugs bill that is concerned with clinical equivalency and safety and it is brought in by the department of consumer affairs. I do not blame the minister for this. However, the No. 1 priority is to make sure that the drugs we are using are safe.

I shall not dwell on those matters which have been so ably dealt with by my confrere, the hon. member for Perth (Mr. Monteith). He spoke about the harm that might occur to the pharmacological industry, the people who would find themselves out of a job and the research people who would be going south of the border. The hon. member spoke about all the other things that might happen as a result of the passage of this bill.

I think the minister will remember that some friends from his own party pointed out the unfortunate economic effects of such legislation. This question was argued in committee. The minister will remember that very well. Members of his own party argued these things in the committee. I compliment them for putting up such a good fight in this respect. As a matter of fact, they put up as good a fight as any of us. I wonder what has happened to those boys.

Some hon. Members: Oh, oh.

Mr. Rynard: What has happened to them would make an interesting story. There was the hon. member for Laprairie (Mr. Watson), the hon. member for Lachine (Mr. Rock), the hon. member for Vegreville (Mr. Mazankowski) and the hon. member for York East (Mr. Otto), who challenged his own minister's statement that the economic effects cannot be measured. The minister will recall the statement that it is possible to project the economic effects of such legislation on drug prices and manufacturing in Canada. It is to the government's discredit that this has not been done.

I asked the minister about the economic report. He was quite frank and honest, as I think he has tried to be throughout this debate, and told me that the economic report would not be available until the fall. We are being asked to buy a pig-in-a-poke, because the minister does not know the answer. He could not answer the hon. member for York East when he said he could get a feasibility report that would be accurate within 2 per cent. However, Mr. Speaker, I will leave that aspect of this matter.

The minister says that the industry will look after itself. He did not agree to having a tribunal of the industry consider this question. He did not agree to having a tribunal of the Food and Drug Directorate consider it. He said that if the question had to be referred to a tribunal, he would not put in the legislation a provision to cover it. In other words, as the provision is now, the Patent Commissioner could send a note to the Food and Drug Directorate and it could be forgotten there, left lying on his desk.

There is nothing mandatory in this respect. I wonder why not. The minister said that he has slept on the question. I think he did, because we have not had any answer. But I did not sleep on it; I thought about it. I thought: What in heck is wrong with this minister, that he cannot make a concession on a procedure he said is going to occur anyway? Is this arrogance? Is it stubbornness? I cannot imagine the minister being arrogant or stubborn, but he said he slept on it and did not come up with the answer.

I shall now deal with a few other points, Mr. Speaker. The point that concerns us most,

the one with regard to which we see the most danger, is simply that of the clinical equivalency of drugs. This point has not been covered. Many citations have been put forward in the debate on this point. We have heard this, that and the other thing. All the citations were good. I should like to put on the record what was said by Dr. Goddard in this respect. He was quoted last night by N.D.P. members. Dr. Goddard, when speaking to the American College of Clinical Pharmacology in Atlantic City, New Jersey, said:

> The U.S. pharmacopia and the national formulary provide no biological performance test from which we can conclude whether a particular dosage form of a particular drug will perform as it is supposed to perform in the human.

Over and over again, we have been told by the Food and Drug Directorate that they have the answers. The minister has assured us that they have all the answers, and that these drugs can be tested. Dr. Goddard, Commissioner of the Food and Drug Directorate of the United States, whose formulas we use over and over again, went on to say in that address that there is no test from which we can conclude whether a particular dosage form of a particular drug will perform as it is supposed to perform in the human. He went on to say:

> This has not been a wilful omisson. Until recently, it just was not considered necessary.

We just cannot fool the people in this regard. Why cannot we be honest and say there is a risk here? Dr. Goddard went on to say:

> There are two reasons we can think of which explain this attitude of blissful ignorance which all of us—let me repeat, all of us—have enjoyed thus far. To begin with, there was an assumption that different specimens of a dosage form containing the same concentration of the same active ingredient will behave the same way—

They just do not. Then Dr. Goddard said:

> I think it is fair to say that most of us in clinical work now know that such an assumption may be valid for many drugs, but is not valid for all drugs. Considering the vigorous activity in clinical pharmacology and chemotherapy which you and your colleagues carry on, and considering the alleged vast number of checkpoints in our drug distribution system, I have to say I am more than disappointed.

• (3:30 p.m.)

This is the awesome thing which the Minister has hanging over his head. The address goes on:

> I am deeply disturbed at our situation today.
>
> I am taking this opportunity, I am using this particular form, to express my misgivings to you and, through you, to all our colleagues in medicine.
>
> What, then, are the elements of this issue which must be vigorously and immediately explored? We know that different drug products which are generically equivalent have been shown to perform differently in vivo. How widespread is this phenomenon? How many different drug classes are involved? How serious is this phenomenon in the public health field? And what does the FDA intend to do about it?

Mr. Schreyer: Would the hon. member permit a question.

Mr. Rynard: Yes, if Mr. Speaker will permit.

Mr. Schreyer: Even agreeing that perhaps the bill is not precise enough in relation to the question of clinical equivalency, would he not admit that the effects of two drugs of the same kind and of the same clinical equivalency would vary in accordance with the receptivity of individual patients?

Mr. Rynard: Given the same clinical equivalency, drugs working on the same person would work in exactly the same way.

This writer goes on to say:

> Science has been accumulating a great deal of observable information about drugs over the past 100 years. In the recent past we have sought through good law, reasonable legislation and good science to document this information particularly as to safety and effectiveness. But our documentation falls far short of what we need.

There is the story. We were led to believe in the committee that they had the answers—that they could test a product and arrive at the therapeutic equivalency. The writer goes on to tell us that new kinds of experimental data are needed. I am not saying this in order to be critical or to be smart about it. I am saying it in the hope that the minister will pay heed. I hope, he will, because he is a bright young man. I trust he will act accordingly, because this is our last recourse. The address states:

> We need new kinds of experimental data to tell us the minimum concentration of a drug in the blood and urine from which we can deduce that there is enough of the drug available to be viable and to do the job it is supposed to do.

I shall not continue to take up the time of the house on this aspect. But this makes clear the awesome task which the minister has assumed. I am sure he has not thought much about it or he would have shown more responsibility about bringing some of the professors from the pharmacology departments of the Universities before the committee to give evidence. But not one was called.

I want to ask the Minister what he intends to do now. He can go into any city in Canada and find drugs sold at half a dozen different prices. This has been documented by responsible people. He has power to act without recourse to this legislation at all. If he had taken action before on the basis of legislation already in existence he could have brought down the price of drugs. This bill is window dressing.

Now, I want to ask the minister whether he proposes to set up designated areas in which companies he intends to help locate—companies which might otherwise decide they would have to move across the border. Is he willing to lose these companies? He says he intends to give money to the firms which are already operating in Canada and let them go ahead. But these firms are doing all right. Some of them are not brand name companies but generic name companies. I could name two in my own area. Empire Laboratories and Paul Maney Laboratories. They are both doing well. One of these firms wrote to the minister asking: What are you trying to do to us? They are small firms, comparatively speaking.

Next, what does the Minister intend to do about those poor people who are living on old age pensions? This legislation was supposed to bring drug prices down. He even said he was prepared to go further. He told us that if it should turn out that the measures proposed did not have the desired effect he would be prepared to take further measures.

Some hon. Members: Hear, hear!

Mr. Rynard: What will the Minister do about the 18 per cent of our people who are taking drugs in Canada though they cannot really afford them? That is the big question. That is the social question. Not one word has been said about these people. It is just window dressing for the government to say: We are reducing drug prices. This phrase catches the headlines. They have completely forgotten about the old age pensioners and those on social services. They brought in the medicare legislation under which a doctor can write prescriptions for them. But who pays for them to be filled? If old age pensioners do not have the money, what will they do? These are the social questions which are bothering us, not the window dressing which has been put on for show. And this applies to 18 per cent of the people across Canada who have to buy drugs, the people on limited incomes on social services.

[Mr. Rynard.]

I know the Minister is an intelligent fellow and a kind hearted fellow. I ask him this: will the government's next move be in favour of these underprivileged people, these people who are living on or below the poverty line and who cannot afford these drugs? The government has brought in the medicare legislation under which a doctor can write the prescription. The doctor is paid for doing so, but nothing is paid in respect of the drugs to be purchased with it. We are concerned, here, with the forgotten people.

I propose to read, now, from a comment by the Canadian Medical Association.

"Bill C-102 places an extremely heavy responsibility on the Department of National Health and Welfare and on the food and drug directorate.

This is of special significance in the light of what I have put on record today, and I suggest the Minister had better move slowly in the light of some of these considerations. The hon. member from Dauphin says this has already cost the people of Canada $4 million—before they have received any benefit whatsoever.

The statement continues:

What will happen? We doubt that anyone really knows. However, our knowledge of the doctor—and his concern about the efficacy and safety of what the prescribes—of the fact that the majority of drugs prescribed in Canada will not be affected by this legislation at all (new drug classification), of the food and drug administration—and the probable action it will take following consideration of its responsibility in this area, leads us to believe that relatively little will happen. The cost of drugs will not be markedly reduced and Mr. Basford and his colleagues will introduce additional legislation to make good his naked threat.

And that will be compulsion. Maybe the minister can tell us what his intentions are. One thing I do not want him to forget is the story of clinical equivalency I have put on record this afternoon. And I do not want him to forget the underprivileged people, the 18 per cent who cannot afford to buy drugs on the basis of the prescriptions given to them.

The government has brought in a bill designed, they say, to bring down drug prices. It has brought in medicare legislation which gives people the means of securing drugs. But not one thing has been done to make sure they can purchase the prescriptions they require. In conclusion, I want to say again that I have a high regard for the minister, his coolness, and the other qualities which go with it. However, I hope he will not sleep as soundly as he slept last night, and will be able to come up with some answers to this problem.

• (3:40 p.m.)

Mr. Max Saltsman (Waterloo): Mr. Speaker, judging from the look of the minister he intends to sleep very soundly tonight in expectation of this bill's receiving third reading. I have only a few things to say about the bill; much has already been said in the course of the debate. I do not believe this bill is really going to lower drug prices to any large extent, yet having said that I still feel it is one of the most significant bills ever brought before the House of Commons. At least, it has proceeded this far; hopefully it will be passed.

I think its significance lies in one particular feature. What we saw here was a confrontation between one of the most powerful economic interests in this country and the government on behalf of the people. There is no doubt that the people won hands down. The powerful P.M.A.C., that great tiger that made and broke members of parliament, turns out to be made of paper. I think it is true that in any confrontation, not only a confrontation between the government and organizations like the P.M.A.C. but with any great economic interest in this country, if the government or its ministers are willing to say that the interests of the people shall be paramount, then the particular interest loses out.

I hope that the victory that appears to be won will not be a Pyrrhic victory. I said to begin with that I do not see how prices will be lowered significantly as a result of the passage of this bill. I think they will be lowered to the extent that they reach the level in the United States, plus whatever tariff applies.

My colleagues in this party have put on record and demonstrated that even if the prices went down to those prevailing in the United States, they would still be much, much too high. Evidence has been placed on the record indicating that these drug companies are being prosecuted in the United States for colluding against the public interest. They have been forced to pay massive fines because of their behaviour in the marketplace. There is little that this bill can do or will do about that particular situation.

I believe the minister is aware of this problem. He has indicated that he is prepared to go beyond the measures contained in this particular bill, and perhaps the very fact that he has said this publicly will be enough to force the drug companies to re-examine their pricing policies.

However, even if the drug companies wish to make changes, I do not think they are going to be able to do so unless other measures are brought to bear in the marketplace in which they operate. They have all put themselves in the position where they spend 20 to 30 per cent of the selling price of their products on advertising and promotion. They are going to continue to do this in an effort to take business away from each other; they are going to continue the kind of competition that really has almost no effect on lowering prices. Quite the contrary, it has the effect of raising prices and is really not worth while in any sense of the word "competition".

In some ways we would be better off with a monopoly in the drug industry in this country if that monopoly would eliminate the high cost of selling and pass on the savings to the people of this country. A monopoly is probably unacceptable for a number of reasons, but one thing we must consider most seriously is the injection of significant competition into the market place. We can get this competition in two ways. One is the encouragement of small manufacturers to compete pricewise as generic drug manufacturers. To do this, the government has introduced the P.I.D.A. program.

Let there be no mistake about it: it is not enough to introduce the P.I.D.A. program. As the situation now stands, there is every indication that the manufacturers of brand name drugs are going to do everything within their power, as they have in the past, to discredit the manufacturers of generic drugs. The government will, of course, do everything within its power to counteract this and to ensure that the small drug companies are policed for safety reasons, and that the information is available to the public. But the government's action may not be the complete answer.

Therefore, a second possibility has to be explored. It is the one I mentioned earlier, namely the creation of a crown corporation to provide competition in the market place as well as to provide marketing services, if necessary, such as inspection and handling on behalf of some smaller companies that choose to market their products in this way. Some may feel they want to market their own products, and that is fine. But some may feel they need the services of a Crown corporation to market their drugs. Such a Crown corporation could rationalize much of the industry. It could buy certain generics or act as agent for certain manufacturers of generics who may be limited in the number of products they can

produce. These drugs could be combined with the products of other companies, and in that way a complete line of drugs could be marketed.

One hon. member raised the question, and I think it is a valid one, of the possibility of exporting drugs. He expressed the hope that one day Canada might produce efficiently enough to export drugs into world markets. I think that though this might be possible in the future it would not be under the present system where our drug industry is dominated by United States branch plants. Under the U.S. branch plant system markets are allocated. Companies are told where to go and where not to go. Under such a system, I do not think that drug exports can be anything more than a pious hope as far as we are concerned.

Were we to have a crown corporation of the type I envisage, exports would become a real possibility for Canada. A crown corporation would have credibility, being backed by the government of Canada. It would not have to hide its books from the government of Canada. Safety of its products would be assured by inspection services provided by the government of Canada. Again, it could act as an international marketing agency on behalf of some of our smaller generic drug manufacturers. It would be an example of where private industry and public enterprise could work together to the benefit of all. Perhaps it would not work to the benefit of that handful of companies that dominate the drug market and have abused the privilege; but in a situation of this kind somebody must suffer, and if the choice has to be between a few drug companies and the entire population of Canada, I think sympathy has to lie with the people of this country.

• (3:50 p.m.)

We have been told that there is some danger that research will be eliminated in Canada. When I hear statements like that I find it hard not to laugh out loud, especially since an examination of the figures will reveal that the amount of research carried out in this country is infinitesimal. On the other hand, if a crown corporation such as we have been suggesting were set up, we might get a great deal of research here. The crown corporation would have the facilities and the incentives to carry out research and to create a drug industry that would be indigenous to this country. It could absorb the scientists and bright young people coming from our universities and technical schools.

[Mr. Saltsman.]

During the committee hearings we heard the threat that if this bill were passed the big drug companies may move out of this country across the border. Some think that such a move on the part of the drug companies would be something to worry about. My reaction to that threat is, "I will make you a sandwich. When are you leaving?" The drug companies seem to think that only they can make drugs. Well, Mr. Speaker, 21 million people in this country need drugs and if the international drug companies now competing in Canada will not make our drugs, others will. If private investors are not willing to undertake the manufacture of drugs, a public corporation will be willing to do so. The point is that the people employed in the industry will remain employed in that industry. As a matter of fact perhaps more will be employed in research; less copying of the work of others will take place and this country may become important as a centre of drug manufacturing. There is no reason for Canadians to pay the kind of prices that prevail in the drug field now. As I pointed out, our drug prices are among the highest in the world. That situation is intolerable and passage of this legislation will indicate to those responsible for our high prices that we will no longer tolerate those high prices.

Although I could say a great deal more, I wish to stress again the importance of this legislation. As a party we have fought hard for it, harder than some members of the government have. Passage of this bill will show the world that our people, instead of being content to be dominated by economically powerful and monopolistic industries, wish to have the right to decide their own future, to make their own choices and to make their own value judgments. With passage of this bill, our people have won a great victory and set a new precedent.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I wish to mention one or two points related to this bill. The defenders of the drug industry and the people within the drug industry have called the bill half baked; the group to which I belong call it a half measure. The minister says that it will do the job of lowering drug prices. Time and experience will tell whether he is right. I hope the minister and his colleagues will not take too long before deciding whether the legislation is doing its intended work.

Although I do not support this legislation as wholeheartedly as the hon. member for Waterloo does, I support it being not at all convinced that it will do the job the minister expects of it. If events prove me wrong I shall be glad to be wrong. I am not so naïve as to think that, following this legislation, the drug industry in this country will quietly and co-operatively work towards the attainment of the objectives of this bill. The industry will go to great lengths to show that the legislation cannot work. I point out that the amendments hon. members of this group proposed that were ruled out of order are on the record. The minister may adopt them at any time. He may use them one year from now or sooner if it becomes evident that drug prices in this country have not been reduced significantly. I submit that the five main proposals we brought before the minister and the house on second reading are still valid and relevant if this legislation is to control drug prices and the drug industry effectively.

It seems that international drug companies are now manufacturing many of our drugs. For years we have been told by Canadian and United States drug manufacturers that "foreign" drug manufacturers are dangerous because the quality of their drugs is inferior to ours. The public was warned not to use "foreign" drugs. Yet less than a year ago, the Pharmaceutical Manufacturers Association of Canada went to Europe to hold meetings with European manufacturers. I believe the meetings took place in Stockholm a few months ago. The two sets of manufacturers formed themselves into an international association. Mr. Speaker, I am gazing into a crystal ball; it may be clouded, but I can see this international association going to great lengths to achieve co-operation between companies in Canada, the United States, Europe and, possibly, Japan.

It will all be very subtle. There will be understandings between various companies, and the Government of Canada alone will find it impossible to oversee the activities of such an association. What has happened within the drug industry in North America will spread to other countries, and no one government alone will be able to properly police the activities of such an organization. I suggest that the minister ought to talk to the Solicitor General and suggest to him that instead of having R.C.M.P. officers spending a great deal of time in plain clothes trying to find a few grains of marijuana in some kids' pocket, it might be wise to set up an underground network so the R.C.M.P. can secure information to enable us to control in this country the activities of such an international association.

May I also ask the minister to persuade his colleague, the Minister of Industry, Trade and Commerce (Mr. Pepin), not to be overly generous with non-Canadian owned drug manufacturing companies in the dispensing of loans under the pharmaceutical industry development assistance program. If anyone is worried about the welfare of our own companies and about their inability to survive, the Minister of Industry, Trade and Commerce can give our companies financial assistance to enable them to compete on an equal basis with international companies.

Under this legislation, the minister will not be able to do much with respect to patents on new drugs until five years have elapsed. That provision has been introduced allegedly to allow the inventors of new drugs to recover their costs of development. It seems to me that if a manufacturer is given a five year monopoly to recover the costs of research and development, he ought to be required by law to file complete information on those costs which are to be recovered. This would serve as a check on the price he wishes to charge. It would enable the government to check him if he seeks to engage in unreasonable and unconscionable pricing within that five year period which he has to recover these costs. Giving manufacturers a blanket five years without knowing what is involved in the makeup of these prices certainly leaves the door ajar, if not wide open, to the manufacturer to, I won't say cook the books, but to exaggerate the so-called costs of research development and promotion in an effort to get the maximum profit.

• (4:00 p.m.)

Mr. Basford: I hesitate to interrupt the hon. member. I am not clear precisely as to what agreements there were. I do not know how long the hon. member intends to speak. I believe there was discussion and an agreement that we would stop now and deal with private members business, namely, the Quebec Savings Bank bill. I believe there was substantial agreement we would then come back to the drug bill in order to give it third reading before 4.30.

Mr. Knowles (Winnipeg North Centre): On the point the minister raised, I believe the

member who has the floor is the concluding speaker in the debate. This debate could be over in a few minutes and that would leave enough time for the bill referred to before proceeding to royal assent.

Mr. Basford: I rose because I did not know how long the hon. member was going to be. If it is a few minutes, I would be in agreement.

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Benjamin: Thank you, Mr. Speaker. I will conclude in a few minutes. It is my understanding there was agreement we would go to a few minutes past four o'clock, and then deal with the private members' bill. I shall conclude in a few moments.

The government of Canada must, in concert with governments of other countries, conduct a thorough and continuing scrutiny of the drug industry. In concert with these other countries, the government of Canada must carry on the fullest exchange of information in order to protect our citizens, particularly in the matter of drug costs and safety. When action is needed to penalize drug manufacturers or scrutinize drugs, Mr. Speaker, the countries must act together. In other words, we need an international cartel of governments to protect people from high cost and unsafe drugs.

May I say to the minister that I hope I am wrong in my predictions for this bill. I hope the measures he proposes prove to be completely effective in substantially lowering the cost of drugs, controlling the quality of drugs and placing some severe limitation on the promotion and advertising of them.

Many hon. members of this house and many people across the country will watch the effects of this legislation as well as the activities of the minister, his department and the Food and Drug Directorate for the next several months. I feel a year and a half would be sufficient time for these results to materialize. If the results are not there and the minister does not take the initiative to bring about additional measures, there will be others in this house and other places attempting to start those measures.

Mr. Basford: May I, as a matter of privilege, express my thoughts to the hon. members of this house. This bill is now leaving this house to go to the Senate.

May I express my thanks to hon. members of all parties for their contributions to the deliberations on this bill, to those members who served on the Harley committee and the committee of health and welfare. I thank them for their attention to this very pressing problem.

As Dr. Harley is no longer a member of this house, may I record the thanks of this house to him for his services as chairman of the special committee on drug prices.

Some hon. Members: Hear, hear.

Mr. Basford: This bill arises from the Harley committee report. It is a very fitting tribute to his years in parliament.

Although people are usually not named in this house, may I take the unusual step of recording those officials who assisted me in my department and in the Department of Health and Welfare. They have acted beyond the call of duty in serving their minister in working on this program to lower drug prices; Mr. McLeod, Mr. Davidson, Mr. Henry, Mr. Laidlaw, and Dr. Chapman.

Motion agreed to, bill read the third time and passed.

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

PRIVATE BILLS

QUEBEC SAVINGS BANK

On the order:

Second reading and reference to the Standing Committee on Finance, Trade and Economic Affairs of Bill S-27, An Act respecting The Quebec Savings Bank.

Mr. Frank Howard (Skeena): I wonder if I might intervene. If the house would make an order, it would be easier. The understanding of the house at this time is to consider item 3, namely second reading of an act respecting The Quebec Savings Bank Act, and upon conclusion of consideration of that bill that we then adjourn. In other words, private members hour would be confined to considering one bill only, namely S-27.

Mr. Basford: We on this side are in agreement. I would suggest an order to deal with item 3 on private bills, and then revert back to government business rather than adjourn. This would be useful. I have had wonderful

co-operation from the house today. I suggest that we revert to the hazardous products bill and deal with a very minor amendment.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: I make this one rider, the two previous private members' bills will retain their precedence. I don't think the hon. member for Skeena (Mr. Howard) mentioned that.

Some hon. Members: Agreed.

Mr. Laflamme (for Mr. Guay, Lévis) moved that Bill S-27, respecting The Quebec Savings Bank, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

• (4:10 p.m.)

[*Translation*]

Mr. Ovide Laflamme (Montmorency): Mr. Speaker, the main objectives of this bill, which has been passed unanimously in the Senate, are to authorize the Banque d'Économie du Québec, in operation since 1948 under the terms of a special legislation of a Canadian province and which since April 21, 1871 has pursued its activities under the terms of a special legislation similar to the Bank Act, to purely and simply become a bank like any other bank, subject to the general regulations applicable to charter banks in Canada.

Mr. Speaker, I shall only say a few words to draw your attention to the fact that, following a meeting of about 500 shareholders of the Banque d'Économie du Québec, it has been agreed and resolved to bring forward this bill in order to allow this chartered bank, which has been in operation for many years and has 27 branches in Metropolitan Quebec and whose deposits amount to over $60 million, to meet its obligations and compete with other financial institutions. In fact, the main purposes which the savings bank had set for itself at the beginning are now carried out by other financial institutions, especially the credit unions and the "caisses populaires".

The aims pursued by the savings bank formerly must be amended, and though this new direction has some disadvantages for the Quebec savings bank, especially with regard to its reserves, which are of 5 per cent, and which it is empowered to deposit to the bank to receive interest, it will have to comply with section 72 of the bank act, that is deposit in the Bank of Canada 4 per cent of its reserves in term deposits, and 12 per cent of its reserves in demand deposits.

This bill is being introduced, on the whole, not to create a new bank but to enable a particular bank in existence for many years to extend its activities.

I submit that hon. members might suggest to the committee on finance, trade and economic affairs, to assign the directors and the principal employees of the bank who will then be able to provide all the information and details concerning its operations.

Mr. Speaker, if the savings bank becomes a chartered bank, it is not really a matter of creating a new bank, because as far as its capital and reserves are concerned, it already falls under the jurisdiction of the general inspector of banks.

As I say, all its shareholders are Canadian citizens, and more especially, Quebecers

The object of the bill is to enable the bank to avail itself of powers granted to banks generally, which will enable it to compete with other financial institutions, to enter on the business market and engage in a new activity.

At the present time, it can grant mortgage loans, since 1954 only, and it can also grant personal loans.

I would like to go over a few points discussed by the inspector general of banks in his testimony before the Senate committee which studied this bill. He declared that to compensate for the inconveniences, which I enumerated a while ago, and for the losses of revenue which the savings bank will undergo because its reserves will be deposited with the Bank of Canada, it will have to move into the industrial and economic fields.

That is why the Quebec Savings Bank which is unable to expand today wants to become a financial institution like the others, in order to become competitive and to meet its engagements.

Mr. Speaker, under the circumstances, I respectfully suggest that the bill be referred to the committee on finance, trade and economic affairs for examination.

[*English*]

Mr. Howard (Skeena): Mr. Speaker, we are somewhat pleased to be able to cooperate with the hon. member in "deseparatising" this bank, making it more of a national structure than a provincial one. However, we do so with a certain amount of

wonderment, in particular about the Quebec Savings Bank but also about the general banking structure and the banking fraternity in Canada, of which presumably this bank will become a part. We know that within recent years our banks have been perhaps the greatest single contributing factor to the pressures of inflation.

This is partly because of revisions to the Bank Act, partly because of the removal of the interest rate ceiling, partly because the banks themselves participate in advertising, as it were, to push their wares and services upon us, and partly because our banking institutions in effect create money out of nothing. Each time this is done they pump into the economy additional millions and millions of dollars that are used to buy the goods and the services that we produce. They are doing this at a faster rate than the Department of Finance or federal government can cope with.

On the one hand, we have had the government, by tax increases and the like, trying to dampen the so-called fires of inflation and, on the other hand, permitting the banking fraternity and the banking institutions to add to the fires of inflation. As I have said, they are able to do so at a much greater pace than the government can keep up with.

The mere fact that we have seen the profits of banks jump somewhere in the neighbourhood of 40 per cent in the last year is indicative of the additional activity that they are pursuing in the money market, and indicative of the pressures that the banks are putting on the inflationary spiral. We know that the more the banks engage in advertising, the more they attract the general public to borrow greater and greater amounts of money, and the greater the desire of banks to get into the consumer credit field, the greater will be these pressures on inflation and the greater the devaluation of the dollar itself. So it is with a certain amount of reluctance that we endorse what is being asked of us at the moment. Probably one result will be the addition of one more point of pressure on inflation. There will be the addition of one more banking institution to create more money and create more inflationary pressure by urging people into greater debt. This is a picture which, on balance, we do not think is good for the nation.

But when this bill goes to committee it will permit us to explore these things in a great deal more detail than is possible at this point. Those of our members who are on that committee, and who have some expertise in this particular field, will be interested in going into those details at that time.

We know that other banks have on their boards of directors, those who are also senators. We know from past experience that certain senators, were on the boards of directors of certain banks. In view of their financial interests in certain banks they interfered with the normal parliamentary procedures a few years ago when there was a desire to establish more banks. One of the saving features we might put into this bill at committee stage, and hopefully the same idea might be incorporated into the Bank Act, is that senators and members of parliament be excluded from participating in the boards of directors of these banks. After all, by permitting this activity we have placed members of the other house in the position of having to try to serve two masters, their financial one and the public interest. We should try to correct that situation, and we look forward to an explanation in committee about these and many other points.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I would like to say a few words on the motion to refer this bill to the committee on finance, trade and economic affairs, for study.

I am naturally in favor of this bill, because its object is to allow this old Quebec bank to operate as if it had been incorporated for a long time. I find it rather surprising that it has not been encouraged before now, and that it has not been treated like the other banks.

Some hon. members may be surprised to hear a member of the Ralliement Créditiste support the establishment of a new chartered bank. We once supported the establishment of a new bank in Canada, but we did not get anywhere. As concerns this one, we are happy that the bill was unanimously adopted in the Senate, because I find that given the system we live in, we have to accept the will of the majority, even if we do not always agree with it.

We are not against banks, because they should play their role fully in the private sector, as the Bank of Canada must do in the public sector.

At present, it is the opposite, because chartered banks have much more influence than the Bank of Canada. Experts tell us that the Bank of Canada's role is only secondary, but we are fighting so that it can play its true role.

I was glad to hear the hon. member for Skeena (Mr. Howard) say so earlier, and I saw government members with a startled looks on their faces when he said that chartered banks create credit.

It is precisely on that point that we disagree with capitalists and the supporters of the present system, because we want the Bank of Canada to be the only one to create and control credit.

At present, such control is in the hands of chartered banks and if a Quebec bank is authorized to compete with other banks, it will be able to create credit. When the inspector general of chartered banks says that it will incur losses because of its 5 per cent reserve, I believe those losses will be easily compensated by the fact that it will be authorized to operate across Canada, by extending its field of activity and by multiplying its reserves by 14.

(4:20 p.m.)

We are glad because it is a Quebec bank. We have a right to have within this sytem our own French-Canadian banks, because when we get to studying banks, we find that English-Canadian banks are worth ten to twenty times our small French-Canadian banks. I trust that the people of Quebec will support this bank's endeavours. One can be sure that if parliament and the committee approve the creation of that Quebec bank, they will have shown their will to contribute to the unity of the country, in making it possible for the bill to be passed in the near future.

Mr. Georges-C. Lachance (Lafontaine): Mr. Speaker, I congratulate the hon. members and I thank them for their excellent co-operation and consensus, which I think will enable that bill to get through an important stage and to be passed soon. I suggest that we must congratulate the directors and shareholders of the Quebec Savings Bank which from now on will carry on its operations under the name of "The People's Bank", which shows the confidence the bank has in the economic future and the democratic institutions of Canada, as well as its sharp sense of progress.

The Deputy Speaker (Mr. Richard): Does the house agree to adopt the said motion?

Some Members: Agreed.

Motion agreed to, bill read the second time and referred to the standing committee on finance, trade and economic affairs.

[*English*]

GOVERNMENT ORDERS

HAZARDOUS SUBSTANCES

PROHIBITION OF ADVERTISING, SALE AND IMPORTATION—REPORT STAGE

The House proceeded to the consideration of Bill S-26, to prohibit the advertising, sale and importation of hazardous products, as reported (with an amendment) from the Standing Committee on Health, Welfare and Social Affairs.

Mr. Grant Deachman (Vancouver Quadra) moved:

That Bill S-26, An Act to prohibit the advertising, sale and importation of hazardous products be amended by deleting subclauses (3), (4) and (5) of Clause 8 and substituting the following:

"(3) Every order adding a product or substance to Part I or Part II of the Schedule shall be laid before the Senate and the House of Commons not later than fifteen days after it is made or, if Parliament is not then sitting, on any of the first fifteen days next thereafter that Parliament is sitting.

(4) If both Houses of Parliament resolve that an order or any part thereof should be revoked, that order or that part thereof is thereupon revoked."

Mr. MacLean: Mr. Speaker, it is my understanding that there will be Royal Assent in a few minutes. I am not sure it is worth going on with another matter.

The Acting Speaker (Mr. Richard): Order. Is it the pleasure of the house to adopt the said motion?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, in respect of what the hon. member for Malpeque (Mr. MacLean) had to say, although Black Rod will be arriving in a few minutes I think we might as well use this time to deal with the amendment of the hon. member for Vancouver Quadra (Mr. Deachman) and make some progress on it.

Mr. Deachman: Mr. Speaker, when this bill came to us from the Senate the wording in respect of this clause was as it appears on page 6. This was subsequently amended by the Standing Committee on Health, Welfare and Social Affairs and submitted to the House in its fifth report. I should like to read this amendment which appears at page 779 of *Votes and Proceedings* of March 10. I refer particularly to the amendment in respect of subclause (4) which reads as follows:

Where an order is laid before Parliament pursuant to subsection (3), a notice of motion in either

House signed by twenty-five members thereof and made in accordance with the rules of that House within ten days of the day the order was laid before Parliament, praying that the order or any part thereof be revoked, shall be debated in that House at the first convenient opportunity.

The point I want to make is that the way in which the amendment is put interferes with the procedures of this House. I think we could effect the same purpose and allow the House to remain in possession of its own procedures if the bill were amended in the rather simple manner I have proposed. This is a simple procedure which would accomplish the same things that were sought to be done by the committee, but the House would still remain in possession of its own procedures.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the hon. member a question before he sits down? In view of what seems to be reasonable logic in what he has said, can he tell the House how it happened that in the Standing Committee this provision for 25 members putting down their signatures became part of the amendment?

Mr. Deachman: I am sorry, I do not know since I was not a member of that standing committee. However, the records of the standing committee will have the story in full.

Mr. Knowles (Winnipeg North Centre): May I ask another question since we seem to have time. What is the position of the government in respect of this matter? Did the government support the amendment in committee and then change its mind or has there been some hanky-panky going on?

• (4:30 p.m.)

Mr. Deachman: I do not know whether or not there has been hanky-panky, but I put to the house a very simple amendment which would return to the House of Commons its procedures. I hope that hon. members would like to remain in possession of their own procedures rather than having them within the terms of the act. This is why I seek agreement for this amendment.

Mr. Basford: In answer to the questions that have been asked, I might indicate that the government supports both amendments, the one that was made in committee and the one which is before us now. It is an improvement on the one put forward by the committee.

[Mr. Deachman.]

Mr. Knowles (Winnipeg North Centre): Where does that leave the rest of us? It seems to me that the amendment proposed by the hon. member for Vancouver Quadra (Mr. Deachman) makes sense since it leaves the matter in the hands of the house rather than trying to write house procedures into a statute. But I think I deserve to be forgiven for wondering what has been going on.

The minister did not make things any easier to understand when he said that the government supports both propositions. The government cannot do that—it is either one or the other.

Mr. Fairweather: They have been doing it for years.

Mr. Basford: The history of the matter is that an amendment was put forward in the Senate committee which was unacceptable to me as the minister responsible for the bill. Then, an amendment was made in the committee of the house, which was acceptable to me, but it transpired that there should have been further consultations on the amendment that was made in the committee to avoid the problem of which the hon. member for Vancouver Quadra spoke, that is that there was not sufficient consultation on the committee's amendment regarding the matter of the house controlling its own business. Therefore, the hon. member for Vancouver Quadra put forward an amendment which I regard as an improvement over the one proposed in the committee.

Mr. Knowles (Winnipeg North Centre): The minister has won me over by telling me that what we are doing here is an improvement on what was done in the other place.

Mr. Lundrigan: May I ask the hon. member for Vancouver Quadra a question, Mr. Speaker?

First of all, I should like to congratulate the minister on the way in which he has piloted previous legislation. I am really not too clear on the nature of the amendment before us. I am sure the hon. member for Vancouver Quadra would like to elaborate on it and give us some more details of the amendment which he has proposed. I believe that other hon. members may also have questions about it, as do I. Perhaps we could begin by asking him what he had in mind, because he spoke about the amendment in a great hurry and certain questions were left in my mind.

Mr. Deachman: The purpose of the amendment is very simple. It does not really relate to the bill as much as to the way in which procedures are to be handled in parliament. Provision is made in the bill for additions to the schedule of hazardous substances from time to time. If hon. members turn to the *Votes and Proceedings* of March 10, they will see at page 779 the way in which this was to be put into the act by an amendment proposed by the Committee on Health, Welfare and Social Affairs. The committee proposed a series of procedures in parliament which would take away from parliament the right to handle its own affairs. These procedures would be set forth in the act. What I propose to do by the simple amendment is to effect the same purpose so far as the bill is concerned, while leaving the matter of how it is to be proceeded with in the House of Commons in the hands of parliament itself. To put it in exact words, the amendment to subclause (4) reads as follows:

> If both Houses of Parliament resolve that an order or any part thereof should be revoked, that order or that part thereof is thereupon revoked.

It does not, for instance, tell them what procedures they should employ in order to do that. It is a simple technical amendment which concerns this house rather than the bill itself.

Mr. Lundrigan: I am taking the chance of running into some heavy weather with some experts in the house, especially members from out west such as the hon. member for Winnipeg North Centre (Mr. Knowles) and the Minister of Consumer and Corporate Affairs (Mr. Basford), but I did get the impression from the minister's remarks that he was not satisfied with the amendment. The only thing that worries me is the fact that the principle involved is more important than the amendment itself. Of course we have run into this problem in various other committees, such as in the committee on fisheries. About a month ago we attempted to make certain amendments in the committee which were later not accepted in the house.

I would like to believe that there is a possibility of proposing amendments in standing committees that can receive approval in the house. For example, I should like to ask the minister whether, if a standing committee of the house makes an amendment of which he does not approve, he can automatically prevent the amendment from coming to the house. Do the regulations of the house which we adopted recently allow such a situation? The matter which I bring to the attention of the house is related directly to the powers of standing committees and the possibility of the legislative process being thwarted if the minister is not in favour of an amendment proposed in the committee. I wonder whether, as was said recently by the hon. member for Waterloo (Mr. Saltsman), we have a dictatorship instead of a parliamentary system in that ministers of the cabinet can determine the exact nature of the legislation to be presented to the house, especially now that there is a majority government in control. This is a lengthy question which is not directly related to the amendment moved by the hon. member for Vancouver Quadra, but I should like to hear the minister's reaction to it.

Mr. Deputy Speaker: Perhaps I might make an observation at this point. I do not want to interfere with the debate, but I feel that this line of questioning is out of order. I understand the hon. member's concern, and perhaps it may be in the best interest of the house for the minister to answer, but I want to add that caveat. I have misgivings as to this type of questioning on such an amendment.

Mr. Basford: The plain fact is that any committee that has a piece of legislation in front of it can amend it, and the bill comes to this house as amended by the committee. That is the case with Bill S-26 before us now which went into committee in one form and came out of it in an amended form. This amendment, which was placed on the order paper and moved by the hon. member for Vancouver Quadra, is an improvement over the amendment made in the committee. It does not nullify the amendment made in the committee.

Both amendments involve the same principle, namely, that orders made under the act be laid before parliament, and the new amendment deals only with procedure. I want to emphasize that if a standing committee has a bill before it, it can amend it. The bill then comes to the House of Commons as amended, and the minister cannot throw those amendments out.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I say, with your indulgence, that if you consider my previous interventions to have been questions, I should now like to ask for the floor to say that in the light of the explanations we have heard I

should like to withdraw my suggestion that there might have been some hanky-panky. I am sure I can be forgiven for suspecting it because it does happen sometimes around here. However, in this case it seems to me that the picture is now quite clear. The other place altered the bill in a way which the government did not like. The government was successful in getting an amendment through the standing committee which overcame whatever Their Honours did to the bill, and it was in that amended form that it came back to us from the committee.

It was perfectly proper for an hon. member to have thought afterwards that what was done in the committee could be improved upon further. I see that that is what the proposed amendment of the hon. member for Vancouver Quadra seeks to do, and I think it is an improvement. It achieves the same result, but it leaves us in charge of our own procedures. I commend the minister on winning his battle with the Senate. I commend the hon. member for Vancouver Quadra (Mr. Deachman) for improving on what was done in the committee. Perhaps on that note we could pass the amendment.

• (4:40 p.m.)

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I was concerned about the discussion of this matter and am inclined to agree with what has been said. But I think it points up the fact that more homework needs to be done in committees by the government. That is the point I make. I have made it twice already. We are breaking new ground; we are in a transformation stage; we are all trying to co-operate with regard to the work of committees. I add the addendum that this difficulty might have been avoided. If someone in the government had been closer to the problem, it could have been handled in the committee.

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

Amendment (Mr. Deachman) agreed to.

Mr. Deputy Speaker: Mr. Basford, seconded by—

Mr. Danforth: There is no minister to second it.

Mr. Deputy Speaker: —seconded by Mr. Jamieson—

[Mr. Knowles (Winnipeg North Centre).]

Mr. Knowles (Winnipeg North Centre): Where is he?

Mr. Danforth: He isn't here.

Mr. Comeau: Change the roster.

Mr. Danforth: That roster is getting pretty slim.

Mr. Knowles (Winnipeg North Centre): Send for the Minister of Transport.

Mr. Benjamin: Send him to the Senate.

Mr. Deputy Speaker: Order, please. Meanwhile I might read a message from the Senate.

MESSAGE FROM THE SENATE

Mr. Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed Bill C-185, an act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1970; and also

A message informing this House that the Senate have passed Bill C-172, an act to amend the Financial Administration Act, without any amendment.

HAZARDOUS SUBSTANCES

PROHIBITION OF ADVERTISING, SALE AND IMPORTATION—REPORT STAGE

Hon. Ron Basford (Minister of Consumer and Corporate Affairs) moved that Bill S-26, an act to prohibit the advertising, sale and importation of hazardous products, as amended, be concurred in.

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

Some hon. Members: Agreed.

Motion (for concurrence) agreed to.

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

Some hon. Members: By leave, now.

Mr. Basford moved that the bill be read the third time and passed.

Motion agreed to, bill read the third time and passed.

THE ROYAL ASSENT

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

Mr. Speaker, the Honourable the Deputy Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

• (5:00 p.m.)

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An act to amend the Animal Contagious Diseases Act.

Royal Assent

An act to amend the Bretton Woods Agreements Act and the Currency, Mint and Exchange Fund Act.

An act respecting the organization of the government of Canada and matters related or incidental thereto.

An act to amend the Canadian Forces Superannuation Act, the Defence Services Pension Continuation Act, the Royal Canadian Mounted Police Superannuation Act, the Royal Canadian Mounted Police Pension Continuation Act and the Public Service Superannuation Act.

An act to amend the Financial Administration Act.

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1970.

Mr. Speaker: Order. It being five o'clock this house stands adjourned until Monday afternoon at two o'clock.

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

HOUSE OF COMMONS

Monday, March 31, 1969

The house met at 2 p.m.

THE LATE GENERAL DWIGHT D. EISENHOWER

TRIBUTES TO FORMER PRESIDENT OF THE UNITED STATES

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, all members of this house, I know, share today with the government and people of the United States of America a sense of loss at the departure of an honoured and highly respected friend. The death of General Dwight D. Eisenhower permits us to pause to recall the many reasons why Canadians have long regarded General Eisenhower with such warmth.

His leadership as Supreme Allied Commander in Europe in the critical years of World War II acquired for General Eisenhower a lasting reputation in the hearts of the tens of thousands of Canadian servicemen who served under him. His distinguished tour as Commander of the NATO forces and his later occupancy of the highest elective office that his country could offer to him gave all of us numerous opportunities to view his many qualities of leadership and his traits of kindness, understanding and humanity which so endeared him to us all.

Canada long ago marked for all time its indebtedness to General Eisenhower by renaming a mountain in Banff National Park in his honour.

We pause today to think of this friend of Canada. The Prime Minister and the Leader of the Opposition are present in Washington today to convey to the American people our sense of grief.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I concur in the remarks made by the Acting Prime Minister. He stated the Prime Minister and the Leader of the Opposition are in Washington. The right hon. member for Prince Albert (Mr. Diefenbaker), who was prime minister at the time the late General Eisenhower was president of his country and came to visit Canada, is also present. This, in addition to the thousands of messages from all ranks of life in all parts of this country, indicates the respect, love and affection held for General Eisenhower.

I limit my comments to remarking that while I was not during the course of the conflict of 1939-45, close to General Eisenhower, I was not too far away when he visited France. The respect and admiration held for him by all members of the armed forces bears testimony to his accomplishments. When called upon to make a momentous decision which no one else could make, he made it wisely. We hope that in the future, when such momentous decisions have to be made, there will be men of the calibre of General Eisenhower to make these decisions.

• (2:10 p.m.)

Mr. David Lewis (York South): Mr. Speaker, my colleagues and I join in the expression of sorrow to the family of the late General Eisenhower and to the people of the United States of America. General Eisenhower made his mark as a great military commander and as a president of his country, during which presidency he accomplished many things, not the least of which was the end of the war in Korea. He was obviously a sincere man with deep convictions about human welfare and we join all Canadians in mourning his passing.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, in the name of my party, I wish to join with the other hon. members to deplore the death of that eminent personality who has left his mark on several years of this century.

He was above all a great soldier, of which the United States are very proud. During the war all the allies admired his achievements.

We mourn his death and we wish to express our feelings of deep sympathy to his family and to the American people.

[*English*]

PRIVILEGE

MR. WOOLLIAMS—ALLEGED LEAK PRECEDING ANNOUNCEMENT CONCERNING MONTREAL INTERNATIONAL AIRPORT—STATEMENTS BY MINISTERS

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, in my absence from the house

Alleged Leak re New Airport Site

on Friday a question of privilege was raised and I thought it would be useful at this time to give some of the background in respect to the alleged question of privilege.

The final decision on the site of the new Montreal International Airport was based on exhaustive technical studies made over a two and a half year period, consultation with other levels of government and other federal departments since August, 1968, and review of the many presentations from numerous local interest groups. In July, 1968, the decision was taken that a new international airport was required. The Government of Canada decided at that time that the government of the province of Quebec should be consulted in aiding in the final determination of the site for the new airport. This consultation took the form of two inter-governmental committees: From August, 1968, until December, 1968, a federal-provincial technical committee involving the federal government and four departments of the province of Quebec; and from December, 1968, until February, 1969, a federal, provincial and municipal committee involving my department and that of my colleague, the Minister of Forestry and Rural Development (Mr. Marchand), four departments of the province of Quebec and the Planning Department of the City of Montreal.

These committees discussed, reviewed and evaluated the possible sites that had been identified during the technical studies from December, 1966, to April 1968. These evaluations were made on the basis of the pertinent criteria which included the following:

1. Air space safety—separation from other important airports, meteorological conditions, obstacles.

2. Information in relation to urbanized areas.

3. Accessibility to the users.

4. Accessibility to Dorval.

5. Transportation network required.

6. Economic potential of airport at the respective sites.

7. Promotion of the economic development of other regions.

8. Cost benefit ratios.

During this process the government of Quebec made known its preferences to the federal government. The discussions with the province continued up until the last moment prior to the final decision by the cabinet. In fact a meeting with Dr. Lussier, Minister of Municipal Affairs of the province of Quebec, for a final review of the several sites was contemplated to be held as late as Thursday morning before the decision was taken. The decision of the federal government was forwarded to the province in a letter from the Prime Minister (Mr. Trudeau) to Premier Bertrand just prior to the public announcement of the site.

It is obvious from the numerous levels of government involved and people within each level of government that this process, which is the only process which could lead to a fair and objective decision, resulted in many people being aware of the exact location of the more favourable sites. Every possible precaution was taken by all those involved that ensured that no one individual in any other level of government or agency knew the final cabinet decision before the decision was stated in the house.

In such a situation involving numerous levels of government with differing specific interests, and where such decision must be based on the technical criteria, it is unlikely that every participating party will be completely satisfied. The federal government recognized that if there were five sites that received intensive examination, four regions would be disappointed following the selection of one of the sites.

It was clearly important when the government announced the choice of the site, that there should be a complete factual briefing for the Canadian people and particularly for the residents of Quebec. Because our decision took into account very important technical considerations the cabinet decided on December 13, that certain advance preparation of material including video taping should be undertaken on a contingency basis.

Because the government does not have available complete facilities within the government service to carry out the necessary preparations, it was necessary to engage a private public relations firm, Agence Canadienne de Publicité Limitée, and to have them make arrangements with a local TV station for advance video recording and video taping. These private firms who collaborated with the government understood that no final decision had been taken by cabinet but that their participation in these advance contingency preparations was subject to the normal discretion and security which is involved in any professional contract. Moreover, as the house is probably aware, the Official Secrets Act has general application in cases of this kind.

Accordingly, the number of people in the publicity firm and at the television stations involved in these preparations was kept to an essential minimum. The advance video recordings were made on Saturday and Sunday, March 22 and 23, because studio time was available and because this was also the most convenient time for ministers to carry out the recordings.

While the government took an advance decision to make certain contingency preparations for the release of information, a firm decision on the site of the airport was not reached until the cabinet meeting on March 27. Prior to that meeting, there had been a request on the part of the Quebec government for further meetings, and the federal government indicated its willingness to enter into such discussions, noting that the matter was to be discussed at the cabinet meeting on Thursday, March 27. As it turned out it was not possible to arrange a mutually convenient time.

During the cabinet meeting on March 27 there was a special technical briefing regarding the relative merits of the various sites under consideration, and later in the morning a decision to select a site was taken. Following this the Prime Minister (Mr. Trudeau) communicated with Prime Minister Bertrand to let him know that a decision had been taken and asking him to receive a special courier carrying a letter which set out in detail the consideration which had prompted the federal government's decision.

As members are aware, the government's decision was announced to the house shortly after its opening Thursday, March 27. As soon as this was done expropriation papers were filed in the province of Quebec. Once again, as a contingency measure, it had been essential to have these papers in the hands of our own local representatives so that notice of expropriation could be filed immediately after the government's decision had been announced.

In order to ensure that the government was prepared to act on an expropriation immediately upon the public announcement of the sites, expropriations were made ready well in advance of the final decision. Plans were prepared for the more favourable contenders for the final selection. This obviously represents enormous duplication of effort. However, this duplication of effort in advance of the decision led directly to time saved following the decision. We were prepared to act on the basis of a cabinet decision for any of the more favourable sites.

Notwithstanding all precautions and secrecy one might still insist that a leak was possible during the final few days prior to the submission of the expropriation documents. I was advised however that even if a leak of this nature should occur, it would not affect the price of land. The price on expropriation is established on the basis of sales, over a period, of equivalent land in the area. It is not determined by isolated transactions shortly before the expropriation. Therefore a speculator could not make any profit from a last minute purchase. Accordingly, while on principle we took every reasonable precaution to preserve secrecy right to the last moment, no possibility of last minute speculative profits existed in any event.

In general I am satisfied that all possible security measures were taken and that in no sense has there been a breach of cabinet secrecy. While certain advance preparations were undertaken so that the public could be fully informed on a matter of such great importance and where technical considerations were paramount, those involved in these advance preparations were fully aware that no final decision would be taken by the cabinet until immediately prior to the government's announcement. Thus it was always possible that the advance material would not have been used had the government for one reason or another decided not to go ahead on the basis of the recommendations made to it which were based essentially on technical rather than political considerations.

• (2:20 p.m.)

In summary, Mr. Speaker:

1. The consultative process, essential for an objective decision, by necessity involves great numbers of people from many levels of governments and federal government departments.

2. All practicable secrecy and precaution was maintained during this process.

3. The government had to prepare in advance its plans for action to follow the site announcement. The expropriation notices were in fact filed within minutes of my announcement in the house.

4. Even if a leak had taken place in the final few days it would have been virtually impossible for anyone to realize speculative profits.

[*Translation*]

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, as

minister responsible for regional development, I wish to point out that my department had a special part to play in the discussions and studies that have lead to the selection of the site of the future Montreal airport.

Since many people were interested in having this airport within their areas, it was important to inform them quickly of the various reasons why the government had taken a particular decision. That is why I agreed, at the request of the Department of Transport, to put on tape on Sunday night, March 23, two television and one radio broadcasts in French on the probable site of the airport.

I understood that the Department of Transport, whose responsibility it was to prepare the publicity concerning the announcement of this site, had done its preparatory work on the assumption that the airport would be located at St. Scholastique, west of St. Jérôme. Actually, the cabinet's decision was only taken on Thursday, March 27.

Without being aware of the security measures the Department of Transport had taken, I understood that those advance recordings would be used only upon confirmation by the cabinet of the site located north west of Montreal. Otherwise, they were to be destroyed.

Under such circumstances, Mr. Speaker, I was not and I am still not aware of having committed any indiscretion, since the cabinet had not yet reached a final decision as to the site.

As for other details pertaining to the incident, Mr. Speaker, I think the Minister of Transport (Mr. Hellyer) has given them to the house.

Some hon. Members: Hear, hear.

[*English*]

Mr. Speaker: I notice that the hon. member for Calgary North wishes to take part in this discussion. I am not sure whether this is the wish of the house, in view of the fact that the hon. member made a rather full presentation on Friday last. However, in a matter such as this the Chair likes the house to determine what procedure should be followed. If it is the unanimous wish of hon. members that the hon. member for Calgary North be allowed to make a further statement I would have no objection.

Some hon. Members: Agreed.

Mr. Speaker: Perhaps the hon. member would limit his comments at this time to the procedural aspects of the matter.

[Mr. Marchand (Langelier).]

Mr. Eldon M. Woolliams (Calgary North): Thank you, Mr. Speaker. I appreciate the opportunities given to me by the house to answer some of the points which have been made today. I may say at the outset that since my question of privilege was raised on Friday last much new evidence has come to light. It seems to me that a very unusual defence has been raised. By referring to some of the authorities and to some of the evidence I believe I can still convince Your Honour that there is a prima facie case here. This does not mean of course that the ministers are guilty. It simply means that the facts would justify an investigation and inquiry. This was my submission on Friday, and it is my submission today. I hope hon. members will be permitted to express their views, and I wish to be allowed to express mine.

It is no defence to maintain, as I understood both ministers to do, that we are living in a tuned-in, turned-on world in the new telecommunication political arena and that the pretaping of information must be undertaken in order to communicate information to the public. This is the using of a well known Liberal, public relations, planned package. They say, of course, that it is done in order to communicate information to the public. This is their defence. I say it is no defence at all. That is why we have a press gallery. That is why in the press gallery there are members of the television, radio and newspaper media who carry the news as soon as it is delivered in this institution of parliament.

I am sure that all the radio and T.V. media will agree that the newspapers of Canada have an equal opportunity to disseminate news across the nation, although their methods and timing are different. The public of Canada are not so interested in seeing and hearing ministers speak; they are interested in having the news. With the greatest respect, this news can be disseminated by T.V. and radio without pre-taping news and without hiring fancy advisers to print the package in this form long before the decision is announced.

This question should have been answered earlier, and I am shocked that it was not. The excuse of the government is that they made a tape and set up this very expensive, colourful package because they had not yet made a decision, and if the money of the taxpayers' was to be set aside, the tape would be destroyed and the famous package would be burned. I ask, Mr. Speaker: Was more than one tape made in reference to the various

sites the government had under consideration? Is it not a strange thing—and this is part of my prima facie case—that the only tape it would appear was made, and the only package that was disseminated to various places, was in relation to the decision that the cabinet finally arrived at. It is said it was arrived at, if you accept the Prime Minister's word, in the morning or the afternoon, depending whether you read *Hansard* or the newspapers.

The pre-taping and the using of the advertising agency in Montreal were solely to give publicity to the ministers and not to disseminate the message. Commentators can flash this over radio and television instantly, and the words need not flow from the mouths of ministers. A minister can have a silent picture, while the man trained and skilled in the field can give the message after an announcement such as that regarding the $645 million airport is made. This defence—

Mr. Speaker: Order, please. I apologize to the hon. member for interrupting him. I suggested he might be allowed to make further comments, but only on the procedural point. It seems to me we are now debating the issue itself. It seems to me that we have to this point received arguments from the hon. member for Calgary North and arguments in opposition from ministers, and we should not go into the substance of the situation. In my view we should at this time direct ourselves to the consideration of purely procedural matters. I assure the hon. member for Calgary North and all hon. members that I intend to make my decision strictly upon procedural considerations and not in respect of allegations of fact on this question.

Mr. Woolliams: Thank you very much, Mr. Speaker; but the minister raised this defence. That was the first defence. I am merely answering it. I assume it was the minister's answer to the prima facie case. To say now that the Expropriation Act of 1896 is a protection in the tuned-in-turned-on age is, in my respectful submission, perfectly ridiculous. I know of no law that *de facto* freezes land values. Let us for a few moments consider—

Some hon. Members: Order.

Mr. Woolliams: I hear hon. members opposite saying "Order". I know you are most fair in these matters, Mr. Speaker; you are always fair. If his argument is admissible in the chamber, the argument with reference to expropriation must also be admissible.

• (2:30 p.m.)

Mr. Speaker: Order, please. Perhaps I can allow the hon. member to make his argument because he has already started. I am sure he realizes that what he is doing now is to reply to the minister's answer. The hon. member said that I am fair. If that is the case, it means I will have to allow the minister to reply to the hon. member's reply, and I wonder where this is all going to end. In any event I recognize that he has already started making the argument. I will hear him; but after this argument is made I suggest to all hon. members that the only thing that can be taken into account by the Chair is the procedural aspect, and not the facts of the matter.

Mr. Woolliams: I appreciate that, Mr. Speaker, and also I appreciate the fact that you have given me the opportunity to answer the minister. He said that the law with reference to expropriation—and I know where he gets that from—may take account of the sales spread over a period of time to arrive at land values.

What does the Supreme Court of Canada have to say about this? The answer may be that this is one method that is used by appraisers. In the last case which I had, *Lake Louise Ski Lodge v. The Crown,* that was the method used by our appraisers. I say, with great respect to the minister, that the method used by the Crown appraisers in that case was an economic formula which was arrived at by certain organizations which could have made money from the use of the land. What does the law say in this regard?

This is what it said in the case of *Fraser v. The Crown:*

> The effective date for valuation of this property was the date of expropriation and the reality of the matter was that the Crown was expropriating tons of rock in the ground rather than acres of land in the rough. So that the value of the special adaptability of these lands was to be determined on the basis of the value that a willing vendor might reasonably expect to obtain from a willing but not anxious purchaser for the rock *in situ* at the date of expropriation.

But they come back to the formula and say that the land is valued at the time of taking. The fact is that if someone comes in and buys up land, there is a great deal of litigation and it costs the Crown much money to hire lawyers. If the land is not properly valued, the Crown has to pay the costs of the claimant. All this comes out of the pocket of the taxpayer. The fact is that there is land speculation, and various formulas can be used to

appraise land. On this ground, that sort of leak and that kind of action by the government is wrong. This in itself constitutes a prima facie case.

It is wrong to make a statement concerning the budget and government decisions which affect increases and decreases in taxes. I submit, with the greatest respect, that it is just as wrong to hire a group of people in the advertising companies, to hire technicians from television and radio stations and then to make a statement which is disseminated in this way across the nation at the expense of the taxpayers, so that some people may enrich themselves. It is wrong for cabinet ministers and Privy Councillors to do this. It is contrary to their oath to make a disclosure on a matter dealing with money and property.

The results of these wrongs is not what we are considering here. We are considering the wrong itself, and that is the point of privilege. The motion, if it is accepted, will give us the facts and will determine whether this breach of political ethics amounted to a violation of the Privy Councillors' oath. We are entitled on this kind of motion to determine whether such a breach occurred. We can only find this out by conducting an examination in committee to find out all the facts in that regard.

Mr. Speaker: Order, please. I wonder if the hon. member does not feel that the fact he has had two runs at convincing the Chair that he has a prima facie case is sufficient and that he should now reach his conclusion.

Mr. Woolliams: I can finish up very quickly, Mr. Speaker. I report, sir, with the greatest respect to you, that if the ministers had a right to make such a statement in the house, surely I have the right to answer it. It is not easy to make a case when one has to limit oneself to procedure. Why did the ministers not limit themselves to an argument on procedure? They came here to exonerate their consciences.

Mr. Speaker: Order, please. I wonder if the hon. member could make his argument.

Mr. Woolliams: With your permission, sir, I will proceed with my argument.

An hon. Member: You should have taped this is advance.

Mr. Woolliams: That was the leader of the Liberal party in British Columbia about whom the Prime Minister asked "Who the hell is he?"—and he still does not know.

[Mr. Woolliams.]

Mr. Speaker: Order, please. I wonder if this procedural discussion might not be kept on a higher plane.

Mr. Woolliams: I was only repeating some of the adjectives used by the Prime Minister.

If speculation had taken place as a result of the leak, I submit it would have cost the Crown thousands of dollars in litigation and court costs. Land owners with money can afford the luxury of litigation so as to enrich themselves at the expense of the state. This is the reason behind the rule of impropriety.

Mr. Speaker, I should like to read a quotation into the record, but since you have asked me to limit my remarks I will not read it. I will only say that it is to be found in a book called "The British Cabinet System", 1830-1938 by A. B. Keith in which the author points out the reason for the rule of secrecy. Any decision made at the cabinet level that affects taxpayers must be kept secret, and the same is true of the budget. There is no exception to that rule. The exception which my two friends are trying to make is that they wanted to pre-tape the announcement so as to appear on television to show what they are doing in a particular area of the country. This is no excuse and it is no defence.

There are facts to show that the booking to make the tapes was done on March 15 and was postponed several times until the recordings were made on March 22 and 23. If the 14 minute tape in English and the 10 minute tape in French were made, as seems to be admitted by one of the ministers, then the dubbing of the tape must have been done, which meant making more cuts for the various media. The taping and the dubbing must have required about a hundred people, who would all have been in the know.

A matter of such national importance and potential is bound to give rise to many speculative stories, and I am not being critical in that regard. But I submit that this parliament is entitled to know the facts, and they are not going to get the facts from the nicely worded and planned little statement of the minister.

This will certainly mean that some rules have to be spelled out because this government appears to prefer the public relations method, the advertisers, the pre-taping and the use of all propaganda art possible. If this method is allowed to flourish, then we might as well forget about the swearing in of ministers of the Crown because the oath of office will become a farce.

I should like to make one last point. It is ridiculous to say that no harm was done, and that they tried to keep this quiet even though a hundred people knew about it. It is just as ridiculous as if one were to say in defence of a man who was drunk and drove up the hill on the wrong side of the road that he did not kill anyone. This will explode in their faces. The ministers must remember that they admitted in the house that they pre-taped the announcement, they used public relations, and that there may be as many as a hundred people in the know. They said this would not affect the price of land and the expropriation proceedings. Such a law stated by such ministers is hogwash. This is no defence.

I submit that there is a prima facie case that both the ministers are guilty of impropriety, and this should be investigated.

I suggest to you, sir, with reference to the procedure, that the motion was moved and that the point of privilege was raised on the floor of the house. It had to be made without notice at the time. I ask you to take that into consideration, and in the light of the minister's startling admissions it is high time that this and other matters which may be occurring in the cabinet be investigated by a standing committee of the house. If this is not done, it will not be long before a judicial inquiry is started to put these men under oath so that the Canadian people may know the facts.

Mr. David Lewis (York South): Mr. Speaker, I intend to limit myself entirely to the procedural question which you placed before us. The other day I listened to the hon. member for Calgary North (Mr. Woolliams), not knowing anything about the subject matter which he raised. I therefore held my judgment on the prima facie aspect of the case in abeyance, but I earnestly suggest to you, Mr. Speaker, that the statements made by the Minister of Transport (Mr. Hellyer) and the Minister of Forestry and Rural Development (Mr. Marchand) establish a clear prima facie case for the motion which was moved.

What are we concerned with? We are concerned with two basic questions: first, was there advance information to people who are not in the public service about the likely choice of an airport, and second, was that advance information provided to such people outside the public service by the ministers concerned or under and with their authority.

• (2:40 p.m.)

You are not concerned, Mr. Speaker—your insistence that this matter be dealt with as a matter of procedure surely underlines this—and neither are the members of this chamber concerned with whether or not there were or could have been improper consequences as a result of this disclosure. That is a matter that the committee to which this question is to be referred will have an opportunity to decide. For the purpose of a prima facie case only, I submit that all you need to know is what were the admissions, made in a rather arrogant way, in a way which suggested—

Some hon. Members: Oh, oh.

Mr. Lewis: Hold it a minute—in a way which suggested that the ministers did not in the least feel there was any question about the propriety of their actions. That is why I say it is arrogance. I submit to Your Honour that any objective look at the situation must suggest that there was at least some question about the judgment and propriety of what they did.

It is in connection with the procedural question that I must refer to some of the things said by the ministers. I do so, not to argue the merits of what they said but to indicate the irrelevance of what they said to the issue that is now before Your Honour.

The Minister of Transport (Mr. Hellyer) has said that there were discussions over a number of months in which various levels of government were involved. Precisely there lies the difference between people in the civil service of Canada, or the public service of the province of Quebec, or the public service of the city of Montreal, civil servants who, under law, by the oath that they take and the functions they perform, are expected to and in fact do observe the secrecy required, and that class of persons represented by a public relations agency, or people working for television stations, or people producing a booklet or pre-taping material.

To contend otherwise is, I suggest, a specious kind of argument that seeks to confuse rather than to illuminate, and this applies to the minister's reference to public servants being in on the discussions. For example, civil servants are engaged in the preparation of every budget that is presented in Canada. If there are budgetary discussions between officials of the federal and provincial governments, then provincial civil servants engage in them. Nobody suggests that is an improper situation. But what is improper is for a public relations agency, a private agency, private television people, private radio people and the like to be brought into a discussion about

a decision that should have been kept secret until the last moment. That is what is in issue on the prima facie case aspect of this matter.

The ministers also say that the decision was not made until Thursday, March 27, and that all of this was done on a contingency basis. There is a limit, Mr. Speaker, to the hogwash to which members of this house as well as members of the public should be subjected. Nobody can persuade any reasonable person that the ministers responsible—especially a minister as important as the Minister of Forestry and Rural Development (Mr. Marchand) in this cabinet—would go to the trouble of having a booklet produced, of pre-taping information, without having at least a 99.99 per cent certainty that what they were proposing was going to be accepted.

To suggest that all of this was done on a contingency basis, and that therefore it did not matter, is utter hogwash and again underlines, in my submission, the fact that the ministers themselves are now uneasy and are trying to argue the merits of the case, which as you have stated, Mr. Speaker, is not what is before us today.

In order to support their insupportable position, they also refer to the fact that their lawyers had expropriation papers ready. I expect, from what the Minister of Transport has said, that they probably had expropriation papers ready for all of the sites that were under contemplation. This can easily be done. The lawyers have the form all ready, and after the announcement is made in Ottawa a telephone call is made to them and they put the appropriate name and location on the form, and away it goes. What kind of nonsense is it to suggest that because the lawyers had to have the form ready this had anything to do with making the matter public! The form need not have contained either the name or the location in question, or anything relevant thereto.

Neither is it a defence on this point, the question of whether there is a prima facie case, to say that nobody could have gained from speculating in this matter. I want to make clear—and I think the hon. member for Calgary North (Mr. Woolliams) did so last Friday—that I am not suggesting that these ministers did anything deliberately to hurt the Canadian people. I am not suggesting that at all. Nor, as I understood it, did the hon. member for Calgary North suggest that. All that I am suggesting is that these gentlemen are human and that, as the last number of months have shown, they are quite easily prone to bad judgment.

There is a full prima facie case to the effect that in this particular instance their judgment was bad; that a committee of this house should inquire into it and declare whether or not their judgment was bad. The committee must decide whether there was the kind of urgency about preparing these statements as to justify taking the extraordinary and undesirable step of making something public before it was officially announced in the house. The committee should determine whether all of these steps that were taken were demanded by the public interest, or were demanded either by a desire for publicity or, more likely, by a desire, and I say a perfectly proper desire, to make sure that the people in the province of Quebec who were disappointed by the particular decision would be given the kind of explanation that would assuage their disappointment, if that were at all possible.

However, Mr. Speaker, all of this might have been done after the announcement was made. It is for the committee to ascertain whether the urgency was so great as to permit of the possibility of a leak that could have—I do not say did have or would have, but could have—been of great disadvantage to the Canadian people and could have resulted in a large increase in cost for this airport, as well as in entirely improper gains, not only for the people who might be expropriated to make way for the airport, but for people in the area around the airport which would also be affected in the matter of price.

For all of these reasons I urge Your Honour to hold that there is a prima facie case here that ought to go to the committee.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I rise to deal with the procedure of this house that is involved here, and I speak about that only. My two colleagues have spoken on the facts of the matter and obviously they are in a better position than I to talk of the facts. I should like to make a brief submission about the nature of our parliamentary privilege; the question Your Honour has to decide is whether, prima facie, the facts indicate that there was a breach of the privilege of this house.

I should like to commence my remarks by referring to May's 17th edition, page 42, where the author states:

Parliamentary privilege is the sum of the peculiar rights enjoyed by each house collectively

as a constituent part of the High Court of Parliament, and by members of each house individually, without which they could not discharge their functions, and which exceed those possessed by other bodies or individuals. Thus privilege, though part of the law of the land, is to a certain extent an exemption from the ordinary law.

The burden of this definition is that parliamentary privilege is the sum of the peculiar rights without which the houses, and the members of the houses in particular, could not discharge their functions.

May goes on to comment on various particular privileges which illustrate the nature of parliamentary privilege. There is, for example, the special right of a member that what he says to the house may not be brought up against him in an ordinary court of law. There is the special right of the House of Commons—

—to settle its own code of procedure.

Then there is the special right of the House of Commons to protect its members from threats, intimidation and misrepresentation. But I submit very strongly that there is nothing in all the authorities that shows that a statement made outside the house and not containing a distorted description of a debate is a breach of the privileges of the house. Privileges are the special rights required by the houses, and their members, if they are to do their work.

• (2:50 p.m.)

Redlich has defined "privilege" as—

—the sum of the fundamental rights of the house and its individual members as against the prerogatives of the Crown, the authority of the ordinary courts of law and the special rights of the House of Lords."

The above is quoted from page 46 of volume I. You will note, Mr. Speaker, he poses the privileges of the House of Commons over against the prerogatives of the Crown. This juxtaposition is particularly helpful in this instance because the fact complained of by the hon. member for Calgary North (Mr. Woolliams) as a "breach of privilege" is an alleged "cabinet leak".

Surely, it is a matter of prerogative that the councils of the Crown are secret. The oath taken by a person being sworn on the Privy Council is not prescribed by statute; rather it is founded in prerogative. Section 11 of the British North America Act confirms this.

It may be that the House of Commons will not tolerate the continuation in ministerial office of a person who has breached the prerogative rights of the Crown by authorizing a cabinet leak. The house may not wish to continue such a person in office. That is not a matter to be considered by the Standing Committee on Privileges and Elections to which a prima facie case of breach of privilege has been sent, but rather by the whole house acting in its own free discretion on a non-confidence motion.

The hon. member for Calgary North mentioned two cases of what he called indiscretion relating to budget information in Britain. The ministers guilty of those indiscretions resigned, not because they had breached the privileges of the House of Commons, but because their indiscretions were regarded as so serious in principle that they could not expect to survive a vote in the house.

My submission, sir, is that if the hon. member for Calgary North has any basis whatsoever for a grievance, that basis cannot be that the privilege of this house has been breached.

The other day the hon. member appeared to make the second argument that the privileges of the house had been offended against because the statement had been made outside the house, rather than inside the house. It is quite true it has become a custom, a habit, to make major government announcements in the House of Commons, if the house is sitting at the time. I would inform the hon. member that this is a matter of courtesy to the house, not a matter of formal obligation, just as there is no formal obligation on members opposite to give notice of a question of privilege, or of a question on the Orders of the Day.

I believe the reason for that is obvious. To hold otherwise would be to bring to a virtual halt the operations of Her Majesty's civil and military service. It would engulf parliament in a sea of announcements. The government in all its aspects makes literally thousands of decisions every day. If it is to be under an obligation to announce all of these in the house, there would be little time to do anything else.

As I have said, it has become the habit of ministers to make these announcements out of courtesy to hon. members. The practice is not founded on any dictate of the law, any standing order, or any constitutional convention. It is not in particular founded upon any of the privileges of this chamber and therefore cannot be the subject matter of a motion founded upon a claim of breach of privilege.

I would submit from the facts put forward to the house today by my colleagues, that there is a clear indication the privileges of

the house or individual members have not in any way been affected. For that reason I submit that Your Honour should find there is no prima facie case of privilege.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, the President of the Privy Council (Mr. Macdonald) obligingly presented us in his remarks with many arguments which we had not put forward before.

His statement to the effect that a minister shows courtesy when giving information to the house seems to me an arrogant attitude towards the house, because I think that all the ministers, including the Prime Minister, must first tell the house of the new policies which the government plans.

If the ministers can now "only out of courtesy" inform the house of changes in the government policy, why ask hon. members to be present in the house?

Of what use will be the press, radio and television, whose function is now to make known the policy of the federal government, if, in the future, the latter deems it advisable to make its policy known through private and business agencies instead of informing the house?

The matter under study is very important and, for this reason, I would support the suggestion made by the hon. member for Calgary North (Mr. Woolliams) with regard to the events that have taken place Thursday morning, Thursday afternoon and later, when the Minister of Transport stated that the Quebec government and the city of Montreal had both been consulted while four provincial ministers denied that this had happened. Since that announcement was made public, we can see that those bodies are displeased, insulted and they claim that they were not consulted by the federal government.

However, we have not only the feeling that a secret of the house was betrayed, we have also evidence of it or something that amounts to evidence. Who is telling us the truth? Is it the Minister of Transport? Is it the government of the province that says it was not consulted?

I believe that for some time now, the federal government has had the knack of running counter to federal-provincial relations, especially as concerns the province of Quebec.

It is difficult to believe that the Minister of Transport came to a decision with the cabinet only Thursday morning, since the publicity, including documents in color and of superior quality, had been printed, something which cannot be done in ten minutes.

Now, I feel justified to doubt the statement of the Prime Minister. Not only is it unlikely that the decision as only taken on Thursday, but it seems that the provincial government was not consulted, contrary to what he stated in the house on Thursday afternoon.

That is why we approve the motion of the hon. member for Calgary North.

[*English*]

Mr. Speaker: On Friday last the hon. member for Calgary North rose on a question of privilege concerning the alleged taping of an announcement dealing with the selection of a choice for the new Montreal airport. In closing his remarks, the hon. member proposed to move a motion as follows:

I move that the question of information of the announcement of the new Montreal International Airport at or near St. Jerome, Quebec, having been given prior to the said announcement by the government in the House of Commons and including all the circumstances under which the allegation is made, be referred to the Standing Committee on Privileges and Elections of the house, so that a full inquiry investigation may be made and that the said committee be empowered to examine all persons and papers material to the matter in question.

• (3:00 p.m.)

Mainly because two of the members more directly concerned with the matter were not in the house at that moment I felt it might be fair and proper to wait until they were in the house and had an opportunity to make a statement, before a ruling could be made or might be made on the procedural aspect of the motion proposed by the hon. member for Calgary North (Mr. Woolliams).

The Chair of course is grateful to all hon. members who have taken part in the discussion. The particular point at issue at this time is whether there exists a prima facie case of privilege.

The hon. member for Calgary North raised the point as to whether this matter had been raised at the first opportunity, and I would think it was raised at the first opportunity. When the hon. member brought the question up on Friday without prior notice, I had some doubt for a moment as to whether he might not have been required to give the usual notice. At the same time I gathered that the question was being raised as a result of a question or questions asked of the Prime Minister (Mr. Trudeau), which to some extent at least made it proper and procedurally correct

for the hon. member to move the motion. In any event I assumed that the hour's notice would have expired rather quickly and the motion could have been put at a later hour in the afternoon and taking this aspect and other aspects into consideration I felt that the hon. member should be heard then.

Hon. members who are interested in the procedural aspects of this matter raised by the hon. member will be reassured to know that the Chair has not taken this matter lightly indeed, and that many hours have been devoted since Friday to the consideration of the many complex aspects of parliamentary law and procedure as they apply to privilege. It is on the strength of this analysis, as well as on the basis of opinions expressed during the discussion in the house on Friday, and of course today, that I am prepared to make a ruling now.

I should say once again, as I indicated earlier today, that my ruling deals only with the technical and procedural aspects of the matter and not in any way with the merits of the situation or the allegations. As the hon. member for York South (Mr. Lewis) stated earlier today, the question before the house is not whether there were leaks—as he called them—or not. I add that the question is not whether or not in fact there was ministerial impropriety but whether the situation or allegations should be considered as a matter of privilege and be referred to the Standing Committee on Privileges and Elections.

The President of the Privy Council (Mr. Macdonald) has given the standard definition of privilege as defined in May's 17th edition at page 42. Later on the learned author adds:

> The privileges of parliament are rights which are "absolutely necessary for the due execution of its powers". They are enjoyed by individual members, because the house cannot perform its functions without unimpeded use of the services of its members; and by each house for the protection of its members and the vindication of its own authority and dignity.

These definitions are very general; it is perhaps on purpose that a clear and logical definition has never been given of parliamentary privilege. However, authorities on the subject argue that privilege includes freedom of speech, in the sense of immunity against suits in defamation; freedom from arrest in certain very limited circumstances; exemption from court duty as a witness or as a juror; protection against undue influence, and reflection on members.

There are also the collective privileges of the house dealing with the control of its proceedings and publications; the calling and protection of witnesses; reflections and indignities affecting the house as a body or as an institution; the right to set up its own rules, and the traditional privileges claimed by the Speaker on behalf of the house at the opening of parliament.

It will be seen, thus, that parliamentary privilege is concerned with the special rights of members, not in their capacity as ministers or as party leaders, or whips, or parliamentary secretaries but strictly in their capacity as members. Allegations of misjudgment, or mismanagement, or maladministration on the part of a minister in the performance of his ministerial duties, does not come within the purview of parliamentary privilege.

A thorough study of each and every one of the cases of privilege raised in the British house during a period of 20 years shows clearly that each and every one of the cases reported deal with situations where members felt they had been adversely affected in their right to participate in parliamentary work without undue pressure, influence or accusations either from inside or outside the house. In fact nowhere in the British or Canadian precedents can there be found authority for the proposition that administrative "misdeeds" as such can be raised by way of questions of privilege.

The hon. member for Calgary North made reference to two cases in the British house and it may be helpful if I were to summarize these two precedents.

The first one relates to what is known as the Thomas case, and that summary is as follows:

In this case Mr. Thomas resigned from the government over a budget leak in the budget of 1936. There was no question of privilege, but on May 5, 1936, Mr. Chamberlain on behalf of the government moved:

> That it is expedient that a tribunal be established for inquiring into an urgent matter of public importance, that is to say, whether, and if so, in what circumstances and by what persons, any unauthorized disclosure was made of information relating to the budget for the present year or any use made of any such information for the purposes of private gain.

This motion was made under the Tribunals of Inquiry (Evidence) Act, 1921, and after debate the motion was carried, and it is known that the tribunal was set up and made a report because of June 11, 1936, a further motion was made by the Prime Minister, Mr. Baldwin, as follows:

> That the report of the tribunal appointed under the Tribunals of Inquiry (Evidence) Act, 1921, be now considered.

After debate on that motion it was resolved on the main question that the report be accepted, and this occurred on June 11, 1936. In parenthesis, before the motion was moved Mr. Thomas resigned his seat having previously resigned from the cabinet.

The point here I suggest that is relevant to our discussion was that the matter was not considered at any moment by way of question of privilege.

The second case referred to by the hon. member for Calgary North relates to the Dalton case, and here again I summarize the proceedings in relation to that case.

On November 13, 1947, Mr. Dalton as Chancellor of the Exchequer was asked a question concerning the forecast of budget proposals in a newspaper. Mr. Dalton stated that in reply to questions put to him by the correspondent of the *Star* newspaper he had indicated to that correspondent a subject matter contained in the publication in question. He said that this was a grave indiscretion on his part and offered his apologies to the house.

The next step occurred when Mr. Churchill put a notice of motion down for the appointment of a select committee to inquire into the circumstances of the disclosures of the budget information. Mr. Churchill raised this on November 17, and in the meantime the Chancellor of the Exchequer had resigned.

On November 20 the question was proposed on Mr. Churchill's motion and it was agreed to. That motion reads:

> That a Select Committee be appointed to inquire into all the circumstances relating to or associated with the disclosure of budget information by Mr. Dalton, then Chancellor of the Exchequer, on Wednesday 12th November:
>
> That Messrs.—

Then follows the names of committee members.

> That the committee have power to send for persons, papers and records—

And there is also reference to the quorum.

It is of interest of course to note, and again I suggest to hon. members that this is the important point of these two cases which were quoted by the hon. member for Calgary North, that although there were substantive motions made to the house for the consideration of alleged improprieties on the part of cabinet ministers the consideration which took place was not by way of reference to the Committee on Privileges and Elections—was not founded on a question of privilege but rather on substantive motions.

[Mr. Speaker.]

In the time at my disposal I have been able to find but one case in our own house in over 100 years of proceedings where the conduct of a minister has been subject to review by means of question of privilege.

On May 22, 1924, an hon. member raised a question with regard to the conduct of the then minister of labour and stated that he was credibly informed and that he believed he was able to establish by satisfactory evidence that the then minister did withdraw from the Home Bank thousands of dollars on deposit therein to his credit, using certain information he had received, as such minister, of the likely immediate failure of said bank, and had received advantage and profit to himself to the extent of such withdrawals, contrary to his obligations as such minister in derogation of his office and the honour, dignity and traditions of parliament.

This precedent, I suggest, was outside the administrative responsibility of the minister in that he used cabinet information to his own personal advantage. It was not a matter of administration but a question of his personal honesty, integrity and conduct. This is the one instance we have in all the precedents. In this instance the matter was referred to the Committee on Privileges and Elections.

• (3:10 p.m.)

In closing I could do no better than refer the house to the decision of Mr. Speaker Michener on June 19, 1959 in which he stated:

> In finding that a question of the privileges of the House is not prima facie involved in this motion, I am making a procedural decision the effect of which will not prevent the further discussion by the House of the matters in issue. The effect is to refuse precedence to this discussion but not to prevent it. No barrier is raised to the presentation of this matter under different circumstances on another occasion. For example, the subject matter could be brought before the House as an amendment to the next motion to go into Supply. I should add too that the debate on the point of order on Wednesday and the discussion of the same matter on the estimates of the Minister of Transport were so broad that there would be little left to be said if the motion itself were to be debated this morning.

Hon. members have now or will have within the next few days or next few weeks an opportunity if they so wish as members of the opposition to bring this matter back, perhaps as a matter of no confidence. I suggest to hon. members that if they wish this matter to be considered further it should be dealt with in this way either by substantive motion or by a motion of no confidence in the government.

ROUTINE PROCEEDINGS

TRANSPORT AND COMMUNICATIONS

DISCUSSION UPON THE CALLING OF THE ORDER FOR A MOTION TO CONCUR IN FIFTH REPORT—RULING BY MR. SPEAKER

On the order:

March 21, 1969—Mr. Lessard (LaSalle) (Chairman of the Standing Committee on Transport and Communications):

That the Fifth report of the Standing Committee on Transport and Communications, presented to the House on Wednesday, March 19, 1969, be concurred in.

Mr. Speaker: I remind hon. members that when this motion was raised last week the Chair suggested that hon. members interested in the procedural aspects of the motion might be given an opportunity to think over the matter of their arguments. From the conversation I had with hon. members shortly before the opening of the house this afternoon I understand there is now a disposition to proceed with the procedural argument. If this is the case I should like to hear hon. members.

I might add if I may at this time that the Speakers mind has been occupied for some time now with questions of privilege. Therefore, I should like, with the approval of hon. members, to suggest that if they will present their arguments now, I would have a look at the blues and give an opinion later this afternoon after I have had an opportunity to look at the learned arguments which I know will be submitted for the guidance of the Chair.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, in view of the circumstances surrounding this matter it might be well very briefly to refresh the memory of members of the house. I have always found this to be a useful exercise especially in respect of those members sitting to Your Honour's right; their memories frequently need refreshing.

This matter arises out of a rather peculiar set of facts. Last fall the Committee on Transport and Communications brought into the house a series of recommendations. Hon. members of the opposition on this side took exception to this report on the ground that it did not contain a very vital recommendation which was founded on a motion presented before the committee. As a result the matter was referred to the Committee on Privileges and Elections. Following that a reasoned settlement was made and on January 17 the President of the Privy Council (Mr. Macdonald) moved:

That the Standing Committee on Transport and Communications be empowered to consider and report upon the problems of transportation in the Atlantic Provinces, and that, for the purposes of its inquiry, the Committee be empowered to adjourn from place to place within Canada and the Clerk and the necessary supporting staff be authorized to accompany the Committee.

Following that the committee reported. The gist of its report, which is the subject we are considering outside of the formal and introductory measure is contained in two very brief paragraphs which if I may I should like to place on the record.

Your Committee recommends that Subsection 4 of Section 335 of the Railway Act be amended and the freeze extended to December 31, 1969.

And again:

Your Committee recommends that the Order of the Canadian Transport Commission, authorizing the Canadian National Railways to suspend rail passenger service in Newfoundland—

This as hon. members know has reference to the passenger train known in Newfoundland as the *Bullet*.

—on April 5, 1969, be left in abeyance, until your Committee tables its complete report in respect to this question.

As I understand the matter there are two or three particular suggestions contained in the argument made by the President of the Privy Council and referred to by Your Honour when you summed up on the 27th of this month, as it appears in *Hansard*. The first suggestion is that the report goes beyond the terms of reference by which this house authorized this committee to make certain inquiries. Let me deal with that. I suggest to you, Mr. Speaker, that that cannot be regarded as a very serious argument. If so, then over the course of the years I have been here the hundreds of committee reports which have been made based upon terms of reference no wider than this are all out of order.

The terms of reference were that the committee be empowered to consider and report upon the problems of transportation in the Atlantic provinces. I think we can all see that both the recommendations touch upon problems of communication and transportation in the Atlantic provinces. If such is the case then surely the committee is entitled to examine upon them and report upon them. I do not think this is an argument which will be seriously pursued.

Mr. Macdonald (Rosedale): I did not make it.

Mr. Baldwin: It is in issue. I think probably this is a good time to touch upon it for enlightenment in respect of the future. The other argument made by the President of the Privy Council was that the matter referred to in the second part of the recommendations is sub judice, on the basis that the Canadian Transport Commission has considered the question of railway service in Newfoundland and has made a report which has been filed and which probably is in process of being acted upon. The President of the Privy Council pointed out that this report was an interim report.

This matter was also touched upon by Your Honour. With the greatest respect I say it is the most transparent argument. We have had a lot of transparent arguments made by the hon. gentleman and his colleagues opposite during the course of this session.

I should like to refer to Beauchesne's fourth edition, citation 152, paragraphs (1) and (2). Paragraph (2) reads as follows:

The Board of Railway Commissioners is a court of record and therefore may not be attacked except by way of impeachment.

Now I should like to read paragraph (3) of citation 152 because I think this is germane.

Matters which have been adjudicated upon by the Railway Commissioners—

We may substitute the Canadian Transport Commission.

—and taken in appeal to the Governor-in-Council cannot be considered sub-judice while the appeal is pending, because the Governor-in-Council then acts in an administrative and not a judicial capacity.

The President of the Privy Council last week in making his argument said that this parliament had in past years, and quite truthfully so, set out an appeal procedure for matters dealt with by the Board of Transport Commissioners which now we call the Canadian Transport Commission. But there are two aspects of this appeal procedure. There is appeal to the Supreme Court of Canada in respect of certain aspects and there is an appeal to the Governor in Council.

• (3:20 p.m.)

Surely, neither a committee of this house nor the house itself can be disqualified from dealing with an order made by the Canadian Transport Commission which to our knowledge has not been appealed to the Governor in Council or the Supreme Court of Canada, although this is a possibility which can be held out.

[Mr. Macdonald (Rosedale).]

I ask Your Honour to take judicial notice of the procedure set out. The Governor in Council may at any time at his discretion upon the petition of any person, party or company interested, or on his own motion without any petition or application being made, vary or rescind any order, decision or regulation of the commission. In other words, any order made by the commission is always subject to review by the Governor in Council in an administrative capacity. In an attempt to persuade the Governor in Council, any person, any party or any company may petition the Governor in Council and ask him to vary or rescind an order. Surely the government is not suggesting that a committee of this house is prohibited in any way from doing what other people can do? Yet this is the essence of the argument made by the President of the Privy Council.

I suggest that a careful reading of this appeal clause will show beyond any shadow of doubt that any person, company or party may at any time go to the Governor in Council, despite the form in which an order is made or despite the stage to which it may have progressed. There is no evidence before the committee or before this house that the question is before the Supreme Court of Canada and I am convinced the hon. gentleman would assure me if I were to ask him that the Supreme Court of Canada is not seized with jurisdiction at this time. In these circumstances I strongly submit it is unthinkable that a member or Committee of this house should be deprived of a privilege or right to make recommendations and suggestions to the Governor in Council, which is open to him as an individual or to it, particularly when this house saw fit to instruct the committee by its terms of reference to examine this issue and bring in recommendations. On this ground alone I suggest the argument used by the President of the Privy Council must fail.

We come now to one point on which a question might be raised. Reading what Your Honour had to say on March 27, I noticed that you, too, had it in mind, and I will admit that at first it caused me some concern. It was the suggestion that the wording of the committee report, by the use of the word "recommends" constituted in effect a direction to the government to do a certain thing, in other words to appeal, amend or vary an act of parliament. This was never the intention. I am making my argument reasonably expansive here, Mr. Speaker, because I think this

debate will affect the practice we follow in this house. It is true that when a private member puts down a private member's motion he must be very careful about the wording he uses. This arises from the inhibitions placed upon private members when it comes to proposing motions which in any way touch on the financial prerogative of the Crown. Constitutionally these rest exclusively on the shoulders of the government. This I suggest is the only reason for the limitation.

I did not have much time this morning, Mr. Speaker, but I happen to have copies in my office of several reports of previous committees. I have here the report of the joint committee on Indian affairs, 1960-61. Listen to the recommendations made at that time.

> The Indian Act should be amended to formally recognize lawful possession of land held by an Indian for twenty years and also to permit band councils to allocate land on a conditional basis.

Again:

> As the present provisions of Section 88 of the Act bar many Indians from ordinary sources of credit, the section should be amended to permit individual Indians to waive the protection afforded as regards their personal property; and band revenue funds should be subject to attachment in respect of judgments for damages—

And so on. Further:

> Sections 32 and 33 of the Indian Act relating to the sale or barter of produce from reserves in the three prairie provinces should be deleted.

I have also found a report of the Special Committee on Food and Drugs which dealt with certain questions in 1963. Here is one of the recommendations which were made:

> That the Pest Control Act be amended to prevent the importation of pesticides not registered under the Act, from a country outside of Canada.

Here, in the first two books I looked at, are four specific recommendations of committees of this house concerning amendments to existing statutes, and they are set out in far more specific and definite terms than is the report of the committee on transport which is the subject matter of this debate. A detailed examination of committee reports would disclose many more. In the case we are considering, the wording used is simply "Your committee recommends..."

The word "recommends" may mean a lot of things to different people, Mr. Speaker, but I have had a chance to look at the dictionary and I think a fairly common understanding of it would be "to commend to the favourable attention of, or to counsel as a course of action." The words are used in the report in the context of this meaning. It does not constitute a direction to the government. It is, rather, a suggestion that it take into account the recommendations of the committee with regard to a serious and particular matter.

In this context I ask whether committees are to be prohibited in the future from making reports containing a recommendation to the house and to the government that certain statutes be changed? I am not speaking about a direction, or about any integral part of the proposal to amend or repeal legislation, but of a proposal by way of counsel or advice that the government should do so.

I submit with deference that no case has been made for the contention put forward from the other side of the house. I shall sum up on one further issue, this time going somewhat beyond the terms of the objections raised by the President of the Privy Council. We are now engaged in this house in dealing with a new set of rules. We have placed on the shoulders of committees the burden of doing a geat deal of the work which was formerly done in the house, the house no longer having time to deal in detail with a great many complex and difficult subjects. This system will fail, as it is failing now, if the government takes the course of raising shoddy and petty points of order and obstruction to prevent committees from doing the kind of work they should be doing, if the new system is to succeed.

Merely because hon. gentlemen opposite are refugees from the stone age who clutter up the treasury benches, masquerading as Liberals, and who are not prepared to go along with the rest of us in accomplishing the work of reform and progress needed to be done if this house is to carry out the business assigned to it, does not mean that Your Honour should agree with them. If committees are to function, then this continual placing of obstacles in their path merely because they have not done what the government wanted them to do will reduce the whole thing to rubble and waste. I suggest that Your Honour should take judicial notice of that fact when you come to a decision on the point of order which has been raised by the President of the Privy Council.

• (3:30 p.m.)

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, one cannot expect that the debate on this point of order will sustain the same amount of interest that was shown in the debate on the earlier question of privilege,

but I submit that this one might be just as important, if not more so.

What is involved in this point of order is not a contest between the government and the opposition but rather the whole question of the relationship of our standing committees to parliament itself. If there is a contest, as I say, it is not between the government and the opposition; it is not even between parliament and one of its committees; it is a contest between the government and a standing committee. I think, therefore, that the issue is a very important one.

Last Tuesday, March 25, we had a bit of debate on the matter. On that occasion the President of the Privy Council (Mr. Macdonald) went into the substance of the issue, as he may do further today; but the rest of us confined ourselves to our contention that that was not the point at which to raise this question of order. We felt that it should not have been raised until after the motion of the hon. member for LaSalle (Mr. Lessard) had been put. I still have my doubts on that, but Your Honour has ruled that this is the place where we can have this discussion; therefore we shall abide by your ruling.

In your remarks to the house on Thursday of last week, Mr. Speaker, if I may be so bold as to make a synopsis of what you said, you first of all cited Beauchesne's citation 323, paragraph 1, as a basis for its being possible to rule a committee report out of order. Then you went on to state three questions to which you would like us to address ourselves. I should like to organize my remarks around the framework that Your Honour gave us last Thursday.

First may I read citation 323, paragraph 1, which Your Honour drew to our attention. It is as follows:

> A committee report may be ruled out of order though it has been received by the House, and a motion to concur therein cannot then be entertained.

In parenthesis, after that citation, there is an indication as to the basis upon which this dictum was written into Beauchesne's fourth edition. It arises from an incident that took place in the House of Commons as recorded at page 216 in volume 8 of the *Journals* of the House of Commons. I went to the library and got the *Journals*, volume 8, and this takes us back to the year 1874. That is even before any of us were in this house, or anywhere else, for that matter.

I found it very interesting to follow through the incident on which this citation is based. Incidentally, I sought also to study it by reference to *Hansard* but found that the printing of *Hansard* did not get started until 1875; so for 1874 one has to consult a scrapbook of newspaper clippings to find out what went on in parliament. Mind you the newspaper clippings were not just reports by reporters; they were verbatim accounts of what was said.

It appears that on April 8, 1874, as recorded at page 25 of the *Journals*, a select committee was appointed and given a very specific task. The task was to inquire into the then tariff, in the interests of agriculture and commerce in British Columbia, and report to the house the way in which the Canadian tariff of that day affected the agricultural and commercial interests of the province, and so on. The instruction was quite clear. This select committee was to report upon the way in which the then Canadian tariff affected agriculture and commerce in the then new province of British Columbia; and that was all.

The committee made its report on April 30, 1874. It appears at pages 141 and 142 of the *Journals*. It is a very interesting report. I do not think anyone can deny that it goes far beyond the terms of reference, the gist of which I read a moment ago. It takes about a page and a half, it has 14 paragraphs, and goes over all the grievances which British Columbia then had against the rest of Canada. It sounds almost as though they wanted to separate before they really got into the family. The report ended with this recommendation:

> That an act imposing a special tariff be enacted.

There is no question but this was far removed from the instruction that they should report on the ways in which the Canadian tariff was affecting agriculture and commerce in the province of British Columbia. Accordingly, when on May 11, 1874, as noted in the *Journals* at page 216, the chairman of the committee, whose name was Mr. Bunster, moved that this report be concurred in, objection was taken to the motion on the ground that it asked for concurrence in a report which ought not to have been received by the house. It was on this point that I was anxious to consult *Hansard* but had to settle for newspaper clippings that are to be found in interesting scrapbooks in the library. I found the argument was that the committee was asking the house to enact a bill involving a financial provision, which can only be proposed on the initiative of a minister of the Crown.

After listening at some length to the debate, Mr. Speaker expressed the opinion that it did go beyond the terms of reference; that it did ask for something that only a minister could propose. While he did not make a precise ruling that the report was out of order, he suggested to Mr. Bunster that the motion to adopt the report might be withdrawn. Mr. Bunster agreed and that seems to be the end of the story.

But I submit that we have changed things a bit since 1874. I think I could make a case that there is quite a difference between that report of 1874 and the report that is now before us. That report was made by a committee that was asked to consider ways in which the Canadian tariff was affecting things in British Columbia, but instead of doing that the committee came back and recommended a special tariff for that province. In our case a committee has been asked to study the whole transportation problem in the Atlantic provinces and it has come back with two specific recommendations.

But the main point I want to make about this is in line with something the hon. member for Peace River (Mr. Baldwin) has already said. This is the reason I presume to take a bit of time on this issue. My point is that not only have there been changes because of the passing of time, the normal kind of changes that take place, but we in this parliament have deliberately set about to upgrade our committees system. Perhaps, Mr. Speaker, I may now draw your attention to a paragraph of the third report of the Special Committee on Procedure of the House which was presented by the hon. member for Grenville-Carleton (Mr. Blair) on Friday, December 6, 1968.

• (3:40 p.m.)

I should like to read this paragraph. It is paragraph 12 at page 434 of the *Votes and Proceedings* for that day:

> It will be apparent from the recommendations already made in relation to supply and the legislative process that your Committee envisages a significant extension of the functions of the Standing Committees and in consequence a substantial strengthening of their importance and influence. They would become the forums in which the details of expenditure and legislation would be closely considered. They would investigate the operations and continuing programs of government departments and would develop areas of subject specialisation. We would expect debate in the Standing Committees to be well-informed and pertinent; their members to become influential in the areas of their specialized experience; and their reports to the House to assume a critical significance related more closely to the national interest as a whole than to simple political differences. We also anticipate that the business of the House would be greatly expedited and handled more efficiently through exploiting the potential of the committee system of the House to the full.

This is a report that was made in parliament. Hon. members are aware that what we are trying to do is to upgrade our committee system to give more importance to our committees. I know that we still impose upon them certain limitations and we still have a system of responsible government, but we have moved a long way from 1874. We do want our committees to be constructive, critical, significant, pertinent and all the other things that were spelled out in the paragraph which I read. I think, therefore, that it is unfortunate that when this committee comes in with some specific recommendations a member of the government objects to that report being made. You do not upgrade a committee by slapping it down when it makes a recommendation the government does not like.

I should like to speak now on the three particular questions that Your Honour asked us to consider when you spoke on this matter last Thursday. They were, first of all, the sub judice question, second, the form in which the report is drafted, and third, the question as to whether or not the report goes beyond the terms of reference given to the committee.

Dealing first of all with the sub judice question, there is not much I need to add to what the hon. member for Peace River (Mr. Baldwin) has already said, but again I would like to read the citation that you drew to our attention on Thursday, namely citation 152 (2) in Beauchesne's fourth edition, which reads as follows:

> The Board of Railway Commissioners is a court of record and therefore may not be attacked except by way of impeachment.

We accept the fact that whatever applied to the Board of Railway Commissioners in this book applies now to the Canadian Transport Commission. But I submit that in no sense and by no stretch of the imagination can it be said that the committee report is attacking the Canadian Transport Commission. I think there are times when this sub judice doctrine is really pressed too far. As I understand it, it means that people should not be allowed to express opinions that interfere with the making of a judicial decision. What is involved in this? The Canadian Transport Commission has already given the Canadian National Railways until April 15 to see whether its bus

service is as good as the train service was. It has not yet made a decision, but a committee of this house has come along and suggested—and after all that is what the recommendation means—that that trial period be extended, and that no final order be made until the committee has completed its discussion of the matter.

I suggest that there is no interference with a judicial decision involved in that kind of a recommendation, that there is no attack on the Canadian Transport Commission, and that it is really not an argument of any weight to say that this report must not be allowed because somehow or other it offends the sub judice doctrine.

I come now to your second question, namely as to the form of the report. Like the hon. member for Peace River I recognize that the language of the report is not the language that we usually employ. Usually, to be on the safe side, we say in reports or in private members notices of motion that we ask the government to consider the advisability of doing such and such. In this case the committee shortened its language and simply said "we recommend". It recommends two things: first of all, that the freeze on the maritime freight rates be extended to December 31, 1969, and second, that the trial period, so far as the Canadian National Railways operation of certain trains in Newfoundland is concerned, be extended beyond April 15.

Your Honour is concerned lest by our dealing with such a report, and perhaps passing it, we put these things into effect. I submit that this is not the case at all. Granted that it is different language than we usually employ, surely what Your Honour has to consider is what the effect would be if we were to concur in this report. I submit that the effect is very clear. We would simply say the same thing that the committee said. We, the House of Commons, would not be passing a bill and would not be putting a statute into effect; we would be doing exactly what the committee did, that is to recommend, with the weight of the House of Commons, that subsection 4 of section 335 of the Railway Act be amended and the freeze extended to December 31, 1969, and that the trial period with regard to bus versus the railway service in Newfoundland be continued beyond April 15 until the committee has discussed the matter in full.

I see in this something analogous to what we do at the report stage of bills. When a committee reports a bill, we go through a procedure at the report stage. If an amendment is put down, we have a debate; if there is no amendment, we do not have a debate, but in either case in the end the house passes a motion concurring in the bill. It does not pass the bill and it does not put it into effect. That has to be done in the way that is provided, namely by a motion for its third reading. Not only that, it also has to go to the other place and in due course it must receive royal assent. So, to suggest that there is anything mandatory about this, I think is unfair to the committee. The committee has recommended to us that two things be done, and the chairman, by moving the motion for concurrence, is asking us to say the same thing: to recommend that those two things be done. If we pass this report, it will be making that same recommendation to the government. The third question that Your Honour raised had to do with the terms of reference and with whether or not the committee report goes beyond the terms of reference that were given to it. I find that hard to credit when one looks at those terms of reference. They were given to the committee on January 17. I believe the hon. member for Peace River read the terms of reference, but let me repeat them. I will read from the *Votes and Proceedings*, of January 17, 1969, page 599. They read as follows:

> On motion of Mr. Macdonald (Rosedale), seconded by Mr. Hellyer, it was ordered,—That the Standing Committee on Transport and Communications be empowered to consider and report upon the problems of transportation in the Atlantic Provinces,—

There is no limitation of any kind there.

> —and that, for the purposes of its inquiry, the Committee be empowered to adjourn from place to place within Canada and the Clerk and the necessary supporting staff be authorized to accompany the Committee.

Surely those terms of reference are wide enough to include recommendations by the committee that something be done about two things that seemed to the committee to be relevant to the problems of transportation in the Atlantic provinces. Because the recommendations are within the terms of reference, I feel that Your Honour should allow this report.

As I said earlier, the case in 1874 on which Beauchesne's citation is based was one which was resolved by the Speaker asking the member to withdraw the motion. It was not specifically ruled out of order. In this case, I agree with the hon. member for Peace River that the wording of the report is not the wording that is usually employed, but if there is

any doubt I implore Your Honour to resolve that doubt in favour of the committee. If the house does not accept that, or if the government wants by an amendment, once the report has been moved, to ask the house to refer it back, then it may do so. But I submit that if that decision is to be made and if this committee is to have its report sent back to it, that is a decision for the house itself to make. It should not be done by the government asking Your Honour to rule the report itself out of order.

• (3:50 p.m.)

Therefore, though there may be arguments on both sides, I feel that on balance the arguments are on the side of the committee, that Your Honour should give the benefit of the doubt to the committee and let us proceed with the motion for the adoption of this report.

[*Translation*]

Mr. René Matte (Champlain): If I may, Mr. Speaker, I would like to recall a few general principles concerning that matter.

With the new procedure adopted at the beginning of this session, the role of the committees was upgraded; they were given greater importance, and it was thought that it would expedite the business of the house.

According to our parliamentary system, the representation within committees ensures a majority of government members. If the government will not accept the report of that committee, it is, in fact, disowning its own members on the said committee.

Here the following question of principle claims our attention: Has the cabinet exclusive control over committee reports? In the affirmative, this is a breach of parliamentary freedom. The question is whether the committees exist or not. The quality of the work and efficiency of the role of committees are here put in question, and I believe that for the sake of the committee principle, this report must be accepted, even if, as some previous speakers have suggested, the House should refer it again to a committee.

To summarize these general principles, there is first of all parliamentary freedom. There is the question of possible disapproval by the government to the work done in a committee. I think that this cannot be condoned in the house, and accordingly, in order to follow this principle, this motion should be withdrawn.

[*English*]

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I had an opportunity to put my views before the house on Tuesday last. They are to be found at page 7058 of *Hansard* and following. At that time the question, which was dealt with later in my favour, was with respect to my right to raise the point at that stage. I can only say that the extensive argument, made today by the hon. member for Winnipeg North Centre (Mr. Knowles) might have been directed to the question whether or not I should raise the point at that stage; but the fact is that the Chair already has made a decision against him in that regard. Therefore, his reference to the 1874—I think it was—precedent is really irrelevant.

I would point out to him and also to the hon. member for Peace River (Mr. Baldwin) that while it is true that we have given a greater role to the committees, it is especially important, because of that greater role, that they act within the well established rules of procedure that are followed by this house. For this reason on Tuesday last I raised two points with respect to the particular committee report.

Your Honour has asked that we direct ourselves to three questions: the question whether or not the matter is sub judice; the question whether this is a direction rather than a recommendation; and also the question regarding the terms of reference. I should like to emphasize that at no time on Tuesday last did I take any exception to the report as going beyond the terms of reference. I think if the hon. member for Peace River looks that up he will find I made no objection in that regard.

I should like to refer to the sub judice question first, the question as to what extent the sub judice doctrine applies here. In this regard I should like to put on the record again the actual details of the order that was made. The fact is that on July 3, 1968 the Canadian Transport Commission made an order dealing with rail passenger service in Newfoundland. This order was an interim order and concluded with the following words—and I quote them because I think they are important when deciding whether or not the matter is still before the commission:

> If, prior to April 15, 1969, Canadian National Railways fails or is unable to perform any of the conditions enumerated above, or if at any time before that date the Committee is not satisfied that the bus service is at least as good as the present passenger train service, it may upon notice to the applicants and to all parties who appeared

before it in December 1967, reconvene the hearing to consider whether in the exercise of its general powers under the Railway Act, it should impose further conditions to be met prior to the discontinuance of the passenger train service or direct the adoption of such measures as may be necessary to ensure the adequacy of the bus service.

The intent and the effect of that part of the order was to keep the matter before the commission. I take this to be acknowledged by the hon. member for Winnipeg North Centre in his argument. Therefore, the commission had not completed its adjudication. In effect, the order is analogous—referring to another legal proceeding—to an order nisi. Moreover, I understand that the standing committee was given evidence showing that the commission is still active in deciding what order it should make.

Perhaps it will be contended that the Canadian Transport Commission is not a body to which the sub judice doctrine is relevant. I should like to refer, as Your Honour did, to citation 152 (2) of Beauchesne and the fact that the status of the Board of Railway Commissioners has been carried on by the Canadian Transport Commission. Citation 152 (3) of Beauchesne has been referred to because reference is made there to matters before the railway commissioners. It was for this reason that I referred last Tuesday to section 53 (1) of the Railway Act, which provides:

The Governor in Council may at any time, in his discretion, either upon petition of any party, person or company interested, or of his own motion, and without any petition or application, vary or rescind any order, decision, rule or regulation of the Board, whether such order or decision is made inter pares or otherwise, and whether such regulation is general or limited in its scope and application; and any order that the Governor in Council may make with respect thereto is binding upon the Board and upon all parties.

From a reading of citation 152 (3) and section 53 (1) of the Railway Act, it appears that matters still under adjudication by the Canadian Transport Commission are in fact sub judice; but once an appeal on a matter has been taken to the Governor in Council, as provided for, the matter is no longer *sub judice*. In this instance although those opposed to the interim order of July 13, 1968 could have done so, nobody made an appeal to the Governor in Council. Therefore, the 1923—I think it was—precedent referred to in that case does not apply in this particular instance. Since the matter has not been determined finally by the Canadian Transport Commission and since it has not been removed from the Commission by way of an appeal, I submit that the matter is still sub judice and as such should not be discussed in this house or in the committee.

Secondly, an inquiry has been made as to the form of the recommendation in the report. I am referring to the recommendation with regard to the Newfoundland railway. To whom is the recommendation addressed? The hon. member for Peace River referred at length to other precedents in which the recommendations were addressed to the government; but in this case—

Mr. Baldwin: No, I did not.

Mr. Macdonald (Rosedale): Well, the nature of those particular recommendations is a matter of opinion. But it is perfectly clear in this case that that is not to whom this recommendation is addressed. The house itself could not leave the order of the commission in abeyance. No attempt has been made to use the procedure of appeal to the Governor in Council as I have already indicated.

Therefore, the conclusion must be that this recommendation is in truth an attempt by the committee either to give a direction to the Canadian Transport Commission or to the Canadian National Railways, two bodies which have been given specific responsibilities by a statute made by Parliament. It is my submission that it is no more appropriate for the committee to give a recommendation to either of those two bodies than it is for the committee to give a recommendation to the Supreme Court of Canada or any other court in respect to a matter that is before it.

• (4:00 p.m.)

If the house generally decides it wants to make a change in the law with regard to a particular matter, then the course of action is quite clear. It can proceed by passing a bill. My submission is that the House of Commons ought not to be asked either to concur or refuse to concur in a directive that in any case should not issue.

As to whether the committee's report is within the terms of reference, I indicated I have no objection to the report in that regard and therefore make no further comment on this point. Some mention has been made, Mr. Speaker, about the new committee procedure. In the order made by the house to establish the new committees, it was assumed that the reports made by the committees would comply with the general rules of order.

I want to say in conclusion, Mr. Speaker, that I appreciate the careful attention you

have given to this matter previously. What is important is not the political scuffling in this particular case, but rather that whatever is done must be done in order, and be a sound precedent. Your ruling in this case will be of considerable importance in regulating committee procedures hereafter.

Mr. Speaker: I would not like to limit discussion on the point, but I have listened to the arguments raised by the President of the Privy Council and the point raised by the hon. member for Peace River (Mr. Baldwin) and the hon. member for Winnipeg North Centre (Mr. Knowles). It may help hon. members in their decision as to whether they should pursue the matter further if I say I am rather impressed by the arguments of the hon. member for Peace River and the hon. member for Winnipeg North Centre. At the same time I know this is a matter of interest to hon. members who are members of the committee.

I wonder whether any useful purpose would be served by pursuing the matter on procedural grounds. I already heard the hon. member for Gander-Twillingate (Mr. Lundrigan) when he expressed his views last week.

I am not sure there is any point in pursuing the matter further.

Mr. James A. McGrath (St. John's East): I wish to make a few remarks in relation to this matter. I am more constrained now to do so, having heard the remarks of the President of the Privy Council. I will be brief.

I beg your indulgence to bear with me for a moment in order that I may refer to the fact that it is appropriate that we are discussing this matter today. The point of order raised by the President of the Privy Council is an objection to the contents of the fifth report of the Standing Committee on Transport and Communications. It objects to that part of the report which deals with the committee's recommendation asking that the decision of the C.T.C. with regard to rail passenger service in Newfoundland be held in abeyance until after April 15. This would enable the committee to make its final recommendation to the house. It is appropriate, Mr. Speaker, because today is the twentieth anniversary of Newfoundland entering Confederation.

Some hon. Members: Hear, hear.

Mr. McGrath: I thank hon. members for their very kind response to that remark. Once again I extend to the Minister of Transport (Mr. Hellyer) and his colleagues a general invitation to come to Newfoundland and enjoy the benefits and comforts of a ride across that province, on the Newfie *Bullet*. When reminding the President of the Privy Council that today is the twentieth anniversary of Newfoundland entering Confederation, I also remind him that tomorrow is April Fool's Day. It is probably true he needs no reminder of that fact.

Since last fall the Standing Committee on Transport and Communications has been very involved in discussions with regard to this matter. The second report of the committee, which has already been referred to, was the subject matter of some dispute in this house. On December 10 last I raised a question of privilege in relation thereto and Your Honour ruled that there was a prima facie case, and this was referred to the Standing Committee on Privileges and Elections. The third report of the Standing Committee on Privileges and Elections is still on the order paper and the subject matter of debate in this house.

If the President of the Privy Council in his capacity as house leader had acceded to our request to bring this matter forward for debate, we would not be in this position today.

Mr. Speaker: Order, please. I must interrupt the hon. member and ask him to follow the fine example of other hon. members who have taken part in the debate up until now, and have limited their contributions to the procedural aspect of the question, in order that the Chair may give a decision.

The hon. member must realize the report is not before the house at the present time. The motion has not been moved. The only point at issue is whether the Chair will allow the motion to be put. There is no reason why we should go into the historical background of this report. I would think the hon. member should refer to the three points which I asked hon. members to consider, and advise the Chair. If he will do this I will be in a better position to give a judgment later this afternoon.

Mr. McGrath: Mr. Speaker, I was just about to deal with the first part of your ruling. At no time was there a suggestion during the course of the committee hearings that this matter was sub judice. It was not suggested during the discussion leading up to the second report of the transport committee when the subject matter of the C.T.C.'s decision regarding Newfoundland rail transportation was discussed. There was no suggestion

of this during the course of the deliberations of the Committee on Privileges and Elections or during the deliberations under the present reference of the Transport Committee from the house. No suggestion was made as to whether this matter was not clearly defined as being a legitimate subject for study by the committee in carrying out its reference from the house, to study transportation in the Atlantic provinces.

There was extensive examination of witnesses in connection with this matter. The President of the Transport Commission, some senior officials of this commission and officials of the Canadian National Railways were examined and gave evidence in this regard. At no time was there any suggestion, Mr. Speaker, that this matter was sub judice. I will not deal with the other argument. As Your Honour said, they have been dealt with very extensively by the hon. member for Peace River, the hon. member for Winnipeg North Centre and other hon. members of this house.

I remind Your Honour it is not entirely inappropriate to discuss this matter today because the terms of union deal with the matter of rail transportation in Newfoundland, and the disposal of the Newfoundland Railway, one of the assets of the Newfoundland government when it became a province of Canada. The commission at that time felt obliged to make reference to it. They referred to term 31(a) of the Terms of Union with Newfoundland.

Mr. Speaker: Order, please. I have to interrupt the hon. member and remind him that at the present time he is not dealing with the point of order before the house.

• (4:10 p.m.)

Mr. McGrath: Well, Mr. Speaker, I may not be an expert on the rules but I would point out to Your Honour that I have some interest in this matter as a member of the committee. You have not heard any members of the Transport Committee today. You have heard those with an established reputation in the house as experts on the rules, but I say to you with great respect that there are other hon. members of the house who have a vital interest in this matter and who have every right to make a comment upon it.

Mr. Speaker: Order, please. I have to remind the hon. member that hon. members ordinarily have a right, according to our rules, to make a comment on what is before the house. However the report is not before the house. When the report is before the house the hon. member, as he says, as an interested member in this matter, will have the right to make extensive remarks, but at the present time the only thing before the house is a very limited procedural point, and thus I took the liberty of inviting the hon. member to restrict his remarks to this limited aspect of the matter.

Mr. McGrath: Before concluding, Mr. Speaker, I wish to deal with just two points that were raised by the President of the Privy Council (Mr. Macdonald). First of all he suggested that parliament has no jurisdiction over this matter because it is still rightly before the Canadian Transport Commission. I would submit that the Canadian Transport Commission is a commission that operates under authority delegated from parliament, and in my humble submission parliament always has jurisdiction because parliament in essence is the final authority.

The second point I would like to deal with is that the President of the Privy Council stated that in his view the matter was sub judice because no appeal had been made to the Governor in Council under section 53 of the Railway Act. I would like to correct him on that, and I suggest he check with his colleague, the Minister of Transport, because an appeal was submitted to the Governor in Council on March 28 by the six Progressive Conservative members of parliament who sit on this side of the house. We felt constrained and obliged to make that appeal because the people of Newfoundland, by unanimous resolution of the Legislature of Newfoundland on February 28, recommended that the implementation of the C.T.C. decision be delayed for two years.

Mr. Speaker: I thank hon. members for their advice, forebearance and co-operation with the Chair when I suggested that we might limit ourselves this afternoon to a very limited aspect of the very important matter now before the house.

I have listened with attention to the arguments advanced by the President of the Privy Council (Mr. Macdonald), which were essentially a restatement of the interesting points made when the matter was initially raised last week. I have also heard the hon. member for St. John's East (Mr. McGrath) and the other hon. members who took part in the debate. They referred to the three points which I had mentioned when the matter was first brought up in the house namely 1, whether the committee report goes beyond

the committee's terms of reference; 2, whether the report offends the sub judice rule or doctrine, and 3, possible objection with the form of the report.

First, dealing specifically with the terms of reference of the committee I would remind hon. members that that argument was not made seriously by any hon. member, and indeed the President of the Privy Council said that he was not putting forth a view in this regard, and so I will not consider that aspect of the matter in any way.

The second important point is whether the report offends the sub judice doctrine, and in the cource of the discussion many clauses in the Railway Act have been referred to me for consideration. I doubt very much whether it is the duty of the Chair to take the Railway Act or any other statute to see whether or not the report submitted by the committee offends in any way some of the clauses of any statute.

It has been said that the House of Commons might inform the government of its opinion on the matter since, according to section 53 of the Railway Act, the Governor in Council may vary or rescind an order or decision of the Canadian Transport Commission. That is the kind of argument that has been submitted to the Chair, and in my submission it is not the kind that the Chair should be asked to review. The Chair, as I have said, should not be invited to go into the constitutional aspects, the jurisdictional aspects of a statute or of a clause of a statute which has been considered by a committee. These considerations, I suggest, should not be adjudged by the Speaker. These matters may be adjudged by the house itself and the way to proceed is by means of a motion. On the motion for concurrence it may be that the report be not now concurred in and that it be referred back to the committee for further consideration or for the purpose of deleting the paragraph which recommended that the order of the Transport Commission be left in abeyance.

My suggestion to hon. members is that none of those considerations should be decided upon by the Chair at this time.

A similar question was raised in this house on July 1, 1919. I am sorry that I have to refer so far back, but at the same time I am comforted in the fact that the hon. member for Winnipeg North Centre (Mr. Knowles) in support of his case referred back to 1874. That report can be found at page 498 of the Journals of 1919, when, on the motion for concurrence in a Committee report a point of order was raised, to the effect:

> —that as certain proceedings in the committee were irregular, the house should refuse to entertain the report of the committee, but that it should be referred back to the said committee for further consideration.

On that occasion Mr. Speaker ruled:

> —that the point of order was not well taken inasmuch as the alleged irregular proceeding complained of took place in the committee and the house is only seized of the proceedings of the committee from the report presented to the house. There is no reference in the report whatever to any question having been raised in the committee and, therefore, my ruling is that it is not competent for this house to go back of the report which is now in its possession.

I must make the same ruling in the present case.

Dealing with the third specific point, the form of the report, I might say that this was the aspect which gave me great difficulty, and the hon. member for Peace River (Mr. Baldwin) mentioned that he had little doubt that the form of the report was acceptable.

My own understanding is that the established form of a committee recommendation dealing with legislative proposals is that the government take into consideration the advisability of introducing legislation for a specified purpose. The wording of this committee's recommendation is a departure from the established practice in that the words "take into consideration the advisability of" are not included.

Both the hon. member for Winnipeg North Centre and the hon. member for Peace River suggested that this should not be considered as a serious objection or an obstacle in that the words used were tantamount to the words normally used in a report from a committee. If indeed I felt that the omission of these words would result in the recommendation being interpreted as a direction rather than a mere recommendation, it is doubtful that the report could be accepted. On the other hand, I have some doubt as to the advisability of referring the report back to the committee for the sole purpose of effecting a purely formal modification.

At the same time I should caution hon. members that committee reports should be drafted according to procedurally acceptable forms. There are countless precedents to which hon. members could be referred in that regard. As I have indicated the form of the report should not and cannot, directly or by

implication, direct the government to introduce or parliament to enact legislation. The accepted form of a committee's recommendation dealing with proposed legislation is "that the government give consideration to the advisability of introducing the necessary legislation."

I recognize the very valid point raised by the hon. member for Winnipeg North Centre and by other hon. members, and it is my belief that the new rules have upgraded the committees. Perhaps we should depart from the long established procedures and allow committees to make reports which do not necessarily follow the rules which have been accepted, as far as their form is concerned. However, I would doubt very much that the Chair is empowered to accept these changes. That is the type of question, which in my view might well be considered by the Committee on Procedure. That committee might submit a report to the house indicating whether the form of committee reports should be changed to take into account a new status of the committees in the legislative process.

• (4:20 p.m.)

This having been said and with the reservations outlined the Chair is disposed to allow the question now to be put to the house.

CONCURRENCE IN FIFTH REPORT OF STANDING COMMITTEE

Mr. H.-Pit Lessard (LaSalle) moved that the Fifth Report of the Standing Committee on Transport and Communications, presented to the House on Wednesday, March 19, 1969, be concurred in.

Mr. Macdonald (Rosedale): Mr. Speaker, on a point of order, it now being 4.25 and since there is the prospect of some debate on this matter I wonder if it would be agreeable to let it stand until tomorrow so that we might get on with the routine proceedings today.

Mr. McGrath: Mr. Speaker, we are agreeable if the house leader will give his assurance that this matter will be brought forward for debate tomorrow.

Mr. Macdonald (Rosedale): As you know, there is no way I could prevent its being brought forward tomorrow.

Mr. McGrath: You have been known to try.

Motion stands.

[Mr. Speaker.]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

AVERAGE REVENUE OF CANADIAN FARMER

Question No. 1,404—**Mr. Caouette:**

During the last three years, what was the average income of farmers (a) in Canada (b) in the Province of Quebec (c) in the federal constituency of Témiscamingue?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): In so far as the Dominion Bureau of Statistics is concerned, the information requested is not available.

[*English*]

*INDIANS—DETAILS OF SURVEY CONDUCTED BY SALLY ROBINSON

Question No. 1,493—**Mr. Howard (Skeena):**

1. Was Sally Robinson employed to conduct any surveys or studies relating to Native Indian people, especially on Vancouver Island?

2. If so, what, in detail, were the terms of reference given to her on the terms of any contract under which she was employed and by whom was she employed?

3. Between what dates was she so employed and how much money was she paid?

4. Which communities did she visit in the course of the survey or study?

Mr. H. E. Gray (Parliamentary Secretary to the Minister of Finance): Mr. Speaker, I am answering this question on behalf of the Minister of Indian Affairs and Northern Development. The answer to the first part of the question is as follows: Sally Robinson was not at any time employed by the department. The answer to the second, third and fourth parts of the question is that the department has no information about the details of such a survey.

FEDERAL-PROVINCIAL CONFERENCE NEWS BRIEFINGS

Question No. 1,531—**Mr. Paproski:**

1. Were groups of news media representatives at the Federal-Provincial Conference given private or "background" briefings by federal public servants and, if so (a) who authorized these briefings (b) how many such briefings occurred?

2. In each case, which departments were involved and which officials?

3. In each case, what was the specific purpose of the briefing?

Mr. J. E. Walker (Parliamentary Secretary to the Prime Minister): 1, 2 and 3. During the Constitutional Conference, February 10-12, 1969, three background briefings were provided by federal officials for all news reporters accredited to the Conference. The briefings were authorized by the Prime Minister and their purpose was to provide answers to reporters' questions concerning positions taken by the Government of Canada at the Conference. Because of the nature of background briefings, it is not customary to identify Government spokesmen who take part.

MOUNTAINEER MOTEL COMPANY LIMITED

Question No. 1,598—**Mr. Woolliams:**

With reference to answers given to Question No. 1,271 (a) who are the officers of the Mountaineer Motel Company Limited (b) is this a private company and, if so, who are the main shareholders in the Mountaineer Motel Company Limited (c) what percentage of rent is charged against the gross receipts of the lessee by the Department in question and called for in the agreement between the Mountaineer Motel Company Limited and the said Department (d) does the agreement call for any other consideration other than a percentage of the gross receipts from the enterprise in question?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): (a) President, Louis Biro; Vice-president, Alex Szakal; Secretary, Vencel Jakab. (b) Yes, Mountaineer Motel Company is a private company, limited to a maximum of 50 shareholders. As our lease is with the Company as a corporate entity rather than with the individual shareholders, we do not attempt to maintain a record of shareholders. We only require the names of the Company officers. Specific information on the Company Shareholders may be obtainable from the Registrar of Companies for the Province of Alberta. (c) As stated previously in the answer to Question No. 1271, lease agreements constitute a confidential landlord-tenant relationship. To divulge the terms of such an agreement without the express written consent of the lessee would be a breach of that confidence. (d) See answer to (c) above.

GRANTS FOR INDUSTRIAL RESEARCH AND DEVELOPMENT

Question No. 1,601—**Mr. Burton:**

For the fiscal year 1967-68, how many grants were made to plants in Saskatchewan under the Industrial Research and Development Incentives Act (a) what is the name of each plant receiving a grant (b) what amount of grant was received by each plant?

Hon. Jean-Luc Pépin (Minister of Industry, Trade and Commerce): In fiscal year 1967-68, one grant was paid under the Industrial Research and Development Incentives Act to an applicant corporation from the Province of Saskatchewan. (a) Disclosure of an applicant's name is not permitted under the Act; (b) Disclosure of the amount of a grant paid to an applicant is not permitted under the Act.

SHOTGUN SHELLS COMPOSITION

Question No. 1,612—**Mr. Anderson:**

Has the Canadian Wildlife Service begun discussions with the manufacturers and distributors of shotgun shells in Canada with a view to substituting iron or nickel for the lead shot presently in use?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): No. Canadian ammunition manufacturers belong to the Small Arms and Ammunition Manufacturers Institute (SAAMI) which has been cooperating in a study involving the testing of alternate materials for lead shot. Recent tests have shown that shot made from soft iron has the highest potential as the alternate material to lead. However, the cost of producing soft iron shot is very high and studies are underway to develop an economic process.

WORK POINT BARRACKS, ESQUIMALT, B.C.

Question No. 1,621—**Mr. Anderson:**

1. Has the 17-acre property described as MacCaulay Point, Work Point Barracks, Esquimalt, British Columbia been declared surplus to federal government requirements?

2. Is it the intention of the government to turn this property over to the municipality of Esquimalt?

3. Will the municipality be charged for this property and, if so, how much?

Hon. Donald C. Jamieson (Minister of Defence Production): In so far as Crown Assets Disposal Corporation is concerned: 1. Yes.

2. In accordance with the CADC priority purchase procedure the Corporation will be prepared to negotiate with the Municipality of Esquimalt for its acquisition of this property, if there is no interest in the land by Federal and Provincial Governments.

3. It is the policy of the Corporation to consummate such priority sales of property at the fair market value established by independent appraisals.

Questions

SUBSCRIPTIONS TO HANSARD

Question No. 1,647—**Mr. Caouette:**

In each province, how many persons at the present time receive *Hansard* (a) in English (b) in French?

[*Translation*]

Hon. Donald C. Jamieson (Minister of Defence Production):

Province	English	French
Quebec	1,250	1,992
Ontario	6,456	533
Manitoba	820	11
Saskatchewan	688	6
Alberta	1,092	8
British Columbia	1,471	8
New Brunswick	361	67
Nova Scotia	658	5
Prince Edward Island	133	—
North West Territories	34	2
Yukon Territory	26	—
Newfoundland	214	—

[*English*]

UNCOLLECTABLE STUDENT LOANS

Question No. 1,675—**Mr. Hales:**

1. How many student loans have been returned to the federal government from chartered banks as uncollectable from the inception of the Canada Student Loans Plan?

2. For what amounts are these loans?

3. Did the government use the services of a professional collection agency in attempting to collect those loans listed as uncollectable?

Hon. E. J. Benson (Minister of Finance): 1. Under section 8 of the Canada Student Loans Act, a borrower's obligation is extinguished in the event of his death whereupon it becomes payable by the government on the borrower's behalf. Since the inception of the Plan to December 31, 1968, 246 claims were paid under section 8. These claims are not recoverable from the estates of deceased borrowers.

Under section 9 of the Act the government is required to reimburse a bank against loss incurred in connection with loans in default. Since inception to December 31, 1968, 861 claims were paid under this provision, including 321 in respect of costs not chargeable to the borrowers.

2. Death Claims, $137,358; Costs Only Claims; $21,633; Principal Claims, $567,138; Total, $726,129.

3. Where a claim is paid to a lender under section 9 in respect of principal and interest, the borrower's obligations are then owed to the Crown. Where the borrower's address is known, the lender which made the loan continues to make collection efforts on behalf of the government. In cases where borrowers cannot be located by the lenders (some 250 cases), the accounts have been given to a professional collection agency on an experimental basis.

REPRESENTATIONS AGAINST POSTAL RATE INCREASE

Question No. 1,678—**Mr. Mather:**

How many representations, opposing the "non-profit publications" postal rate increase, have been received by the government from churches, associations, trade unions and co-ops?

Hon. Eric W. Kierans (Postmaster General): In so far as the Post Office Department is concerned, 164.

INTEREST ON PUBLIC DEBT

Question No. 1,679—**Mr. Mather:**

What, in dollars, is the daily interest cost of the federal public debt?

Hon. E. J. Benson (Minister of Finance): During the fiscal year 1967-68, the average daily interest cost of the federal public debt was $3,479,359.63.

*INDIANS—GOVERNMENT TAKE OVER OF HOSTELS

Question No. 1,683—**Mr. Diefenbaker:**

1. Does the government propose to take over the complete management of all Indian residences and hostels across Canada outside of the Northwest Territories?

2. If so, were the Indian tribes or bands affected thereby consulted on this drastic move?

3. Will the result be that henceforth Indian children in residence, whether Anglican or Roman Catholic, will be denied being in hostels of their parents' religious faith?

4. What provision is being made for the continuance in office of the staff members of these institutions following the takeover?

5. Is it intended that such staff members shall be civil servants?

Mr. H. E. Gray (Parliamentary Secretary to the Minister of Finance): Mr. Speaker, again I am answering this question on behalf of the Minister of Indian Affairs and Northern Development. The answer to the first part of the question is that the employees of the Indian Student Residences are being brought under the Public Service Employment Act following instructions of Treasury Board in order to give employees collective bargaining

rights. The administrators and child care workers are being exempted from the Public Service Employment Act and will continue to be nominated by the various church denominations.

The answer to the second part is, since the hostels will continue to be administered in precisely the same manner as before, with the full support of the churches, and with no change in program or policy, there was no reason to raise the matter for discussion.

The answer to the third part is that the residences will continue to operate under denominational auspices. Parents will continue to have the right to have their children assigned to the residences on the basis of religious preferences.

The answer to the fourth part is that all employees who are on staff on March 31 are being offered continued employment.

The answer to the fifth part is: Yes, effective April 1, 1969.

BOARDING HERDS

Question No. 1,685—**Mr. Beaudoin:**

1. Is it the federal government boarding herds for study purposes, on farms other than existing government experimental farms, and, if so, how many such herds have been placed with farmers or corporations (a) in Quebec (b) in Ontario?

2. How many head are being boarded in Quebec?

3. How many head are being boarded in Ontario?

Hon. H. A. Olson (Minister of Agriculture): 1. (a) and (b) On occasions when accommodation at existing Experimental Farms has been insufficient to maintain populations required for the National Dairy Cattle Breeding Project, cattle have been placed with farmers in Quebec and Ontario. At present, cattle are being boarded on four private farms in Quebec.

2. 45 head.

3. Nil.

*WHEAT—NUMBER OF BUSHELS DRIED AT TERMINALS

Question No. 1,687—**Mr. Diefenbaker:**

1. How many bushels of wheat are estimated to have been dried since the 7th day of February in each of the Prairie Provinces?

2. What is the estimate of damp wheat dried in the terminals (a) Pacific Coast (b) elsewhere, during the said period?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the reply to the first part of this question is: Manitoba, 4,134,000 bushels; Saskatchewan, 9,738,000 bushels; Alberta, 4,624,000 bushels.

The answer to part 2(a) is 5,874,00 bushels and part (b) 11,441,000 bushels.

R.C.M.P. PERSONNEL AT OTTAWA AIRPORT

Question No. 1,707—**Mr. Robinson:**

1. How many members of the RCMP are employed on part-time or full-time duty at the Ottawa Airport?

2. How many members of the RCMP are employed at the Ottawa Airport performing the duties of (a) giving out parking tickets (b) patrolling parking meter installation (c) impounding motor vehicles in the parking lot compound (d) chauffeuring individuals (e) traffic control (f) security of aircraft (g) security of airport buildings (h) investigating complaints (i) highway safety (j) investigating crime?

3. During what hours of the day are the duties in question carried out and what amount of time is spent performing each duty?

Hon. G. J. McIlraith (Solicitor General): 1. 6 (One Sergeant and five Constables). This R.C.M.P. Police detachment is assisted in the performance of its assigned duties by members of the Corps of Commissioners. Duties are carried out in three 8-hour shift, daily.

2. (a) (b) (c) (e) (f) (g) (h) (i) and (j), 6. All detachment members, when on duty, are responsible for the performance of all these duties. (d) Nil.

3. The Detachment, on a 24 hour a day basis, carry out their various duties, approximately, as follows: (a) 1 hour per day; (b) 2 hours per week; (c) 22 hours in 1968; (d) Nil; (e) 70 hours per week; (f) 170 hours per week; (g) 14 hours per week; (h) 4 hours per week; (i) 70 hours per week; (j) 2 hours per week.

BRIDGEWATER, N.S., FEDERAL BUILDING

Question No. 1,708—**Mr. Crouse:**

1. Is it the intention of the government to build a new federal building in Bridgewater, Nova Scotia?

2. If so, has a site been selected and what is the location of the site?

3. When is it anticipated that construction will be started on this project?

4. What is the estimated cost of this building?

Hon. Arthur Laing (Minister of Public Works): 1. Yes.

2. Negotiations are underway for the selection of a site.

3. Unknown at this time.

4. It is not customary to reveal the estimated cost before tenders are called.

Questions

R.C.M.P. DISMISSALS

Question No. 1,718—**Mr. Robinson:**

1. How many members of the RCMP, by rank and years of service, have been dismissed from the service during each of the years 1960-68 inclusive?

2. How many offences can a member of the RCMP be charged with under RCMP regulations and how many members have been charged and/or convicted in each of the years 1960-68 inclusive?

3. How many complaints have been received from citizens against members of the RCMP for (a) misconduct (b) improper police practice (c) excessive authoritarianism (d) unjust detention?

4. Have there been any charges laid under (a) RCMP regulations (b) Criminal Code (c) other federal or provincial statutes against members of the RCMP in each of the years 1960-68 inclusive, as a result of complaints?

5. How many members of the RCMP have been reprimanded during each of the years 1960-68 inclusive?

Hon. G. J. McIlraith (Solicitor General):

1. Rank

Year	Constables	Corporals	Sergeants	Sub-Inspector	Inspector	Chief Superintendent
1960	5	—	—	—	—	—
1961	9	—	—	—	1	—
1962	24	1	1	—	—	—
1963	19	—	—	—	—	—
1964	22	—	—	1	—	1
1965	20	—	—	—	—	—
1966	16	1	1	—	—	—
1967	25	1	—	—	—	—
1968	25	—	—	—	—	—

Years of service

Less than 1960	1961	1962	1963	1964	1965	1966	1967	1968
1	—	4	—	—	—	—	—	1
2	1	1	4	—	4	3	8	9
3	—	4	6	5	1	6	8	6
4	2	6	1	1	4	1	3	3
5	—	2	3	2	5	1	—	1
6	—	1	—	2	—	1	1	1
7	—	—	3	2	—	—	2	2
8	—	—	—	3	1	1	1	—
9	1	3	—	2	1	1	—	2
10	—	—	—	2	—	—	2	—
11	1	1	—	—	1	1	—	—
12	2	1	1	—	—	—	—	—
13	—	1	1	2	1	1	—	—
14	—	—	—	—	2	1	—	—
15	—	1	—	1	—	—	—	—
16	—	1	—	1	—	—	1	—
20	—	—	—	—	—	1	—	—
22	1	—	—	—	—	—	—	—
23	1	—	—	—	—	—	—	—
28	1	—	—	—	—	—	—	—
32	—	—	—	1	—	—	—	—

2. Two types of offences under the provisions of the Royal Canadian Mounted Police Act, RSC 1959, Chapter 54: Section 25—Major service offences. There are 16 such offences listed under this section. Section 26—Minor service offences. A violation of any of the Commissioner's Standing Orders or Regulations constitutes a Minor Service Offence under this Section. There are approximately 4,000 Commissioner's Standing Orders and 170 Regulations. 1960/61, 155; 1961/62, 118; 1962/63, 177; 1963/64, 131; 1964/65, 204; 1965/66, 130; 1966/67, 137; 1967/68, 170.

3. Information requested not recorded.

4. Information requested not recorded.

5. Information requested not available.

[Mr. Laing.]

*INDIANS—REQUEST FOR TREATY RATIFICATION

Question No. 1,770—**Mr. Diefenbaker:**

Will the government give favourable consideration to placing before Parliament a Bill to confirm the terms of all Indian treaties made prior to Confederation and in particular the Jay Treaty?

Mr. H. E. Gray (Parliamentary Secretary to the Minister of Finance): Mr. Speaker, I am also answering this question on behalf of the Minister of Indian Affairs and Northern Development. The answer is as follows:

A general study of all Indian treaties is now being carried out and it would be premature to make any comment at this time. This matter was also discussed during the Indian Act consultation meetings and will be discussed at future meetings.

The government will do all it can to abide by the provisions of the treaties bearing in mind the terms of the Canadian law.

The Indian Claims Commission, when it is established, will provide the Indian people with a means to have their claims heard.

The question of the Jay Treaty is under active consideration by the responsible department of government. A decision will be reached soon.

TRACKED VEHICLES IMPORTS

Question No. 1,788—**Mr. Paproski:**

1. How many tracked vehicles of the snowmobile "*Skidoo*" type have been imported into Canada in each of the following years: 1965, 1966, 1967 and 1968?

2. What is the amount of tariff charged on such vehicles and has there been any change in the tariff charge since 1964?

Hon. E. J. Benson (Minister of Finance): 1. No statistics on the volume of snowmobile imports are available.

2. Tariff item 43868-1 provides for free entry under the British Preferential and Most-Favoured-Nation tariffs of snowmobiles equipped with tracks, runners, skis or combinations thereof, except snowmobiles equipped to perform special services or functions or snowmobiles designed to function primarily as tractors. This tariff item came into effect on February 2, 1967. However, duty was remitted on snowmobiles imported during the period November 1, 1966 to February 2, 1967. These measures were taken to give effect to a duty-free arrangement with the United States, which grants free entry to Canadian snowmobiles.

Prior to February 2, 1967, snowmobiles were free of duty under the British Preferential Tariff but subject to a 17½ per cent duty under the Most-Favoured-Nation Tariff, pursuant to the provisions of tariff item 43803-1.

BLIND PERSONS ACT

Question No. 1,793—**Mr. Southam:**

Is the government giving any consideration to amending the Blind Persons Act so that (a) all blind Canadians, from age 18, receive a universal allowance as compensation for their blindness and this allowance be administered and paid by the federal government (b) this allowance be exempt from Income Tax (c) this universal allowance not be considered as income in welfare computation?

Hon. John C. Munro (Minister of National Health and Welfare): (a), (b) (c) The government is presently reviewing all social welfare programs for which it has responsibility. In the course of this review attention will be given to the needs of the blind. When a decision is made the House will be informed in the usual way.

ROYAL COMMISSION ON THE STATUS OF WOMEN

Question No. 1,797—**Mr. Diefenbaker:**

1. What is the total cost to date on the Royal Commission on the Status of Women and what further costs are anticipated or expected?

2. What are the names of the Commissioners and staff members and what amounts have been paid to each of them for (a) fees, emoluments or salaries and (b) expenses?

Mr. J. E. Walker (Parliamentary Secretary to the Prime Minister): I am informed by the Royal Commission on the Status of Women in Canada as follows:

1. Total cost to date (March 19, 1969) on the Royal Commission on the Status of Women in Canada	$1,039,995.65
Estimated cost to end of fiscal year 1968/69	48,530.74
Estimates for 1969/70	625,600.00
	$1,714,126.39

Questions

2. Names of Commissioners

	Honoraria To March 19, 1969	Expenses To March 19, 1969
Mrs. Florence Bird, Chairman	$ 37,787.50	$ 4,455.65
Mr. D. Gordon (Retired)	5,550.00	655.62
Mr. J. Henripin	16,425.00	2,767.70
Mr. J. Humphrey	11,925.00	2,185.31
Mrs. L. Lange	25,350.00	11,978.25
Miss J. Lapointe	18,600.00	3,690.75
Miss E. G. MacGill	23,500.00	4,534.91
Mrs. D. Ogilvie	24,450.00	4,660.55
Total for Commissioners	$ 163,587.50	$ 34,928.74

Names of Staff Members—Senior Officers	Salaries To March 15, 1969	Expenses To March 15, 1969
Miss M. Bégin, Executive Secretary and Research Director	$ 42,966.60	$ 5,751.96
Miss D. H. B. Cadwell, Research Co-ordinator	22,868.42	1,060.54
Miss M. Coupal, Assistant Secretary and Legal Advisor	31,449.94	4,732.05
Miss G. E. Maynard, Research Co-ordinator	15,058.30	2,448.67
Miss A. Burke, Press Relations and Information Officer	15,388.24	2,780.87
Mrs. J. G. Ellichuk, Executive Assistant	10,500.00	—
	$ 138,231.50	$ 16,774.09
Research Staff		
Mrs. J. C. Desjardins, Research Assistant	$ 9,416.57	$ 1,707.08
Miss M. F. Slack, Research Assistant	2,282.61	—
Mrs. S. A. Khan, Research Assistant	2,472.79	—
Mr. B. C. Keith, Research Assistant	2,011.91	—
	$ 154,415.38	$ 18,481.17

Administrative Support Staff
(At Public Service Rates of Pay)

Classification	Number of Employees		
CR 3	1	$ 305.82	
CR 4	1	2,408.50	
CR 6	1	2,194.64	
CR 7	2	7,657.00	
ST 4	2	4,299.09	
ST 5	2	4,383.09	751.02
ST 9	1	4,325.17	378.20
TO 5	1	1,299.00	
Total for Staff Members		$ 181,284.69	$ 19,610.39

[Mr. Walker.]

CANADIAN RANGERS

Question No. 1,816—**Mr. Robinson:**

1. How many "Canadian Rangers" are there in Canada?

2. How many Canadian Rangers (a) Officers (b) N.C.Os. (c) men, received Centennial Medals?

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): 1. 1681.

2. See reply to your question 737, tabled in the House of Commons January 15, 1969, (*Votes and Proceedings* 71, page 590).

MUNICIPAL USE OF E.M.O.

Question No. 1,828—**Mr. Skoberg:**

What is the position of the Department of National Defence in the use of E.M.O. by municipal authorities or the use of federal monies allocated to the municipalities for E.M.O. as it concerns expenditures on filling job vacancies when a legal withdrawal of service has occurred in any labour dispute?

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): The Department of National Defence, through the Canada Emergency Measures Organization, does not allocate federal monies to municipalities. Federal moneys are allocated and committed to the appropriate provincial authority on a reimbursement basis of moneys spent by provincial and municipal authorities on agreed civil emergency planning activities. Federal moneys subsequently allocated by provinces to municipalities may be used only to meet, among other civil emergency planning activities, 75 per cent of the salaries of those persons specifically employed in support of civil emergency planning projects as agreed each year between the Provincial Ministers responsible for civil emergency planning and the Minister of National Defence.

QUESTIONS PASSED AS ORDERS FOR RETURNS

IMMIGRANTS—EMPLOYMENT AND UNION MEMBERSHIP OPPORTUNITIES

Question No. 1,421—**Mr. Badanai:**

1. May a newly-arrived immigrant, with a trade, join a Canadian trade union?

2. Must he have experience in his work in Canada before he is eligible to become a member of a union?

3. What action does the Department of Manpower and Immigration take to help the immigrant find employment in his trade?

Return tabled.

EXPENSES OF COMMISSION ON BILINGUALISM AND BICULTURALISM

Question No. 1,457—**Mr. Coates:**

1. What is the total expenditure to date of the Royal Commission on Bilingualism and Biculturalism and on what date will the Commission complete its work and what is the estimated final cost of the Commission?

2. What has been the total in salary and expenses paid to the members of the Commission since its inception to date?

3. How many individuals have been employed by the Commission, and of that number, what are the names, addresses and qualifications of those who have received in excess of $10,000 in salary and expenses and in each instance, what was the specific amount?

4. Have any public relations or consultant firms been employed by the Commission and, if so, what are the names of the firms, what were the specific duties of each and how much has each received from the Commission for services rendered?

Return tabled.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. We on this side of the house were advised that the Minister of Agriculture (Mr. Olson) would be making a statement on motions. Did we get by motions without the minister making the statement or are we now going to revert to motions?

Mr. Macdonald (Rosedale): I would ask that the house give unanimous consent to revert to motions. I understand the statement must be made before tomorrow.

Some hon. Members: Agreed.

[*Later:*]

ROUTINE PROCEEDINGS

AGRICULTURE

ANNOUNCEMENT OF SUPPORT PRICE FOR MANUFACTURING MILK

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I wish to inform the house that the support price for manufacturing milk for the year commencing April 1, 1969 has been set at $4.85 per hundred pounds of milk testing 3.5 per cent butterfat. This is the same level as that established on April 1, 1968.

As hon. members are aware, the returns received by manufacturing milk and cream shippers come mainly from the market price and partly from subsidy. The market price, in turn, is related to the support prices established by the Canadian Dairy Commission for the major dairy products. The federal

government of course cannot fix prices to be paid for milk and cream within a province, but the support price for milk is based on the calculated market value of milk in relation to product support prices under normally efficient operations.

The Canadian Dairy Commission is announcing today that its support price on skim milk powder will remain at 20 cents per pound and that on butter will continue at the 65 cent level set last September. This butter price is two cents higher than that in effect on April 1, 1968, with a corresponding increase in the market value of milk and cream as compared to a year ago. To supplement the market value, and provide the $4.85 support level, the rate of direct subsidy for manufacturing milk and cream will be $1.25 per hundred pounds of milk, with an equivalent rate for cream.

The dairy stabilization program is based on the principle of providing an equitable return to efficient producers for the amount of manufacturing milk and cream required for dairy products for the Canadian market. This is the basis of the dairy products for the Canadian market. This is the basis of the Dairy Commission's subsidy quota system. There is, however, concern over the present volume of surplus products and indications of a further increase.

There is a serious surplus of skim milk powder. Butter production since last October has been 10 per cent above a year ago. In 1968 the Commission had to purchase eight million pounds of surplus cheddar cheese to support the market price on that product and British authorities are considering restraints on cheese imports into that country. These surpluses are occurring at a time when international prices for dairy products are seriously depressed as a result of world over-production.

Representations have been made to the government by producer organizations for an increase in the milk support price for the coming year. I feel sure they will appreciate, however, that in light of the market situation any further increase in product prices at this time would not be warranted. However, the government will undertake to provide sufficient funds to ensure that any changes in producers' net incomes are not the result of a lower support level, but rather are because of inceases in the cost of moving surplus dairy products into export.

[Mr. Olson.]

The cost of disposing of surpluses must be financed by the Canadian Dairy Commission out of the funds provided to it for subsidies. This is in accord with the policy, previously enunciated by the government and which is well understood by producers, and their representatives, that the cost of such disposal must be a charge against the industry.

• (4:30 p.m.)

For this purpose the commission makes a holdback against subsidy payments. The present rate of holdback on milk is 21 cents per hundred pounds. Effective with deliveries on and after April 1 the commission will require an average holdback from milk subsidies of 29 cents.

The holdback on cream will continue for the present at the existing level of one cent per pound of butterfat. However, should the present trend of increasing supplies of butterfat continue, an adjustment in the holdback on both cream and milk may be necessary. On the other hand, if the supply or the international market price situation for dairy products were to improve significantly, it could be possible that the Dairy Commission would be in a position to refund a portion of the holdback to producers.

Since the cost of disposal of excess production is a charge against producers which reduces their net returns, it is important to the position of the industry that every available means be used to ensure against unmanageable surpluses. We have already had some discussions with organizations on this subject and I have instructed the commission to pursue it actively with the organizations.

Mr. H. A. Moore (Wetaskiwin): The main feature of the announcement just made—in fact, I would say, almost its only feature—is the indication that the amount of subsidy paid to shippers of manufacturing milk is not to be changed. We gather, too, that producers face increased costs in connection with the export program. This leaves dairy farmers in the same position as they were in last year, but saddled with increased operating costs. In fact, their position is worse, because the extra holdback will result in less take-home pay. I should also like to point out that this being the last day of the dairy year the minister's announcement comes rather late to allow for any adjustment in the operations of those concerned.

Never in the history of farming have farmers had more reason for concern, and never has the government seemed to show less concern. Dairy farmers encounter the same difficulties as do other farmers. They suffer from lack of markets for their products. Selling is partly the job of the government. In spite of what we hear, dairy farmers also suffer from the failure of the government to check rising production costs.

There is certainly no lack of efficiency on the part of our farmers. No one can tell me farmers are not efficient, because I know better. In times like these, they have to be efficient in order to operate. The truth is that they have proven themselves to be more efficient than almost any other business or industry. One handicap is the lack of research into new methods of purchasing and packaging—something which the federal government could and should be doing.

It is obvious that the policy of the government has been to eliminate the small, and—in their language—the inefficient farmer. The government and its various spokesmen talk about uneconomic units. What right have they to judge a farmer's efficiency, from here on Parliament Hill? Is it not a farmer's right to adhere to his way of life whether or not the Department of Agriculture or the Dairy Commission, or the government feels his unit is uneconomic?

I might also ask: Who benefits from a farmer's efficiency? Certainly it is not the farmer himself. Yet there are people who feel he should be moved to our already overcrowded cities where he would risk becoming a real burden to taxpayers in general. We should remember that when we discuss the problems of dairy farmers we are also dealing with many related industries whose operations depend upon the prosperity of the dairy industry. I am amazed by the kind of remarks I hear about subsidies being paid to dairy farmers or, for that matter, to any farmers. When will people realize that if farmers do not get a reasonable return for their labour they must either get out of business or be subsidized. They do not like being in this position. They are forced into it by circumstances beyond their control. How else do people suppose that food remains cheaper in relation to income on this continent than anywhere in the world? If small farmers are phased out and corporations take over, food prices will skyrocket.

Small farmers are going out of business at an alarming rate today and few young men are replacing them. Under the dairy policy for 1968-69 new farmers could not get a subsidy quota unless they bought one along with a herd. Few young men can afford to do this. I ask this question, Mr. Speaker: Is there anything wrong with mixed farming? Should a farmer not be able to start on a small scale and ship cream, which fits in with hog and poultry raising, and possibly with a beef and grain operation as well?

What about the position of fluid milk shippers operating on a small fluid quota? It is agreed that a dairyman must now get between $4 and $5 per hundredweight in order to operate. Today the minister quoted a price of $4.85. Many of these people are averaging less than $4 per hundredweight. They have huge sums invested and they produce high grade milk. Where do they turn? Not to shipping manufacturing milk; they cannot get a subsidy quota. What about fluid milk shippers who might be forced out of business when processing plants close down? Where can they turn?

Subsidies are paid to some fluid shippers—this surprised me when I heard it—on certain amounts over 125 per cent of fluid quota here in Ontario and in British Columbia. I realize that the milk is pooled, but this procedure was not spelled out in the dairy policy statement this year, or in the previous one, as far as I can recall. This is creating an acute problem in the minister's own area. Fluid shippers have large sums invested. How does the action now being taken fit in with the policy of eliminating small farmers? I am referring, now, not to small shippers but to the top producers.

Never before in history has there been such confusion and dissatisfaction among dairymen respecting subsidies. This is borne out by the great number of letters received by all hon. members who have dairymen in their constituencies. They have many causes for complaint. For example, a young dairyman just starting out shipped more than the minimum 420 pounds of butterfat. The head office of the plant concerned mistakenly submitted a figure below that amount and he was automatically phased out. No recourse was open to him even though the mistake was not his. This is not the fault of the Dairy Commission. They have always been most helpful and reasonable, Mr. Speaker. But, after all, the commission is responsible to the department.

In closing, Mr. Speaker, I might mention that farmers, and especially dairy farmers who work long, hard hours every day of the year, are not a burden on the economy, but an asset. These are not people who should be robbed of their incentive and even of their way of life, then forced into overcrowded cities to start over again in a new, and, to them, strange and unsatisfactory environment.

Mr. A. P. Gleave (Saskatoon-Biggar): The difference in actual support level, according to the minister's statement today, is not great. The statement recognizes many of the facts of life in the dairy industry of Canada.

• (4:40 p.m.)

What really concerns me is that through the action of the Dairy Commission and the policy of the Department of Agriculture, coupled with what is happening in agriculture, we are in a period of transition in this industry. I do not suppose we can change that fact, but the important thing to me and to our party is that in this time of change the hardships on those producers who are being forced to accept change should be minimized.

What also concerns me is that in this type of change the greater part of the weight of the adjustment is falling on the small producer; it is falling on the individual in the dairy business who is least able to absorb it; it is falling on the individual who has the least resources and the least cushion. As the previous speaker said, we on our side of the house receive letters from people with small herds who are being threatened with closing up. The minimum amount of income they are obtaining from their dairy herds, which is absolutely essential to the maintenance of their families and the maintenance of their livelihood, is going to literally disappear.

The Dairy Commission is in the forefront of operating a supply-management program in this country by virtue of subsidies and the administration of the money it receives through the producer. I say to the minister that if in the first nationwide experience with this type of program we find the burden falls more heavily on certain segments of the industry or certain parts of Canada, the program will fall into disrepute. The Saskatchewan department of agriculture, in its submission to the Canadian Agricultural Congress, complained that the Dairy Commission was not recognizing the fact that the small-scale cream producer, with little alternative use for the few resources he devotes to dairying, is really a low-cost cream producer. Saskatchewan said that the commission has not recognized this important point and has ruled out the low-volume cream shipper on the assumption that he is inefficient and not worthy of public support.

This is a pretty serious statement, coming from a department of agriculture of one of our provinces. They went on to once again make the point that while many small producers in Saskatchewan have lost their quotas, these have been re-allocated to producers in other provinces who are producing manufacturing milk, thus adding to the already huge surplus in this area. They they said:

> We believe it is most unfortunate when policy gives producers of a product in one region of Canada an advantage over producers of the same product in another region and the advantage is related simply to differences in organization of the enterprise. In this instance, the policy discourages the production of cream in favour of manufacturing milk when the latter is by far the greatest surplus problem.

These are pretty serious allegations. I do not want particularly to associate myself with a regional argument, but I do say that a great deal more concern has to be shown for the small producer than has been shown up to now. More flexibility in this period of adjustment has to be shown than has been shown up to now. When administering a nationwide policy that affects the very existence and livelihood of people, you cannot use a strait-jacket. The department and the commission have to take into consideration what they are doing to the individual living on the farm and whose livelihood is at stake. From my information and observation, I am not sure they are doing it. I urge, therefore, that this problem be given very careful consideration.

[*Translation*]

Mr. C.-A. Gauthier (Roberval): Mr. Speaker, listening to the minister earlier, I was looking for an opportunity to congratulate him and it has presented itself because he announced today his dairy policy which was not to be announced before early April.

I must congratulate him for this early announcement because the farmers, particularly those in my area feared that once again this year that statement was going to be delayed which fortunately has not been the case.

On the other hand, I think that many will be surprised because they expected an increase in the subsidies but the department decided not to grant any. It certainly has its reasons for doing so, because if we consider the situation as a whole, we notice that in the last few years due to livestock diseases, in Quebec in particular—indeed my knowledge extends mainly to the Quebec dairy industry—and because also of the decrease in milk production due to bad weather, we have not enjoyed our usual prosperity.

We have produced about 18,350 million pounds of milk a year for the past two or three years. But last year, our dairy output increased by 1 per cent and, as the farmers who had to slaughter their cattle get back on the market, we expect a new increase of 1 to 1½ per cent.

In my opinion, those responsible for the Canadian Dairy Commission will have a lot to do. I think their problems are not over. I must congratulate these responsible people and in particular two of them, Messrs. Williams and Thibodeau, with whom we communicate often by letters or otherwise. They do their best but I think that difficulties do not occur at that level; in our areas, they are probably due to a poor distribution of the subsidies.

As was mentioned by hon. members who spoke before me, we tend increasingly to encourage the large producer, the farm industrialist, and we neglect those who tomorrow will enable agriculture to make progress.

When I refer to the small producer, I think of two kinds of producers. The small producer who is starting out, the young one, and the one who had bad luck in previous years, and is getting back to a normal production.

Unless the Commission or the department make an effort in 1969 to give greater encouragement to our small producers, I am afraid we will miss the boat. In our areas especially, there is another problem: a national subsidy is used as a basis instead of a regional one. Indeed, as long as there is a national subsidy, the problem will not be solved in my area.

Even if $1.25 was granted, the price the processor pays could not be controlled. If the processor in Quebec pays 20 or 25¢. more than the processor in Ontario, he is being treated unfairly.

In short, I merely point out the situation to the minister. As long as subsidies are not regional, there will be injustice.

[*English*]

ORAL QUESTION PERIOD

INDUSTRY

TEXTILES—APPLICATION OF UNITED KINGDOM TARIFF

Mr. G. W. Baldwin (Peace River): Mr. Speaker, in the absence of the ministers who are involved, I should like to ask the Acting Prime Minister the following question. In view of the impending report of the textile council of the United Kingdom in which it is recommended that Canadian textiles brought into the United Kingdom be subject to a 15 per cent tariff, will the government make strong representations to the government of the United Kingdom pointing out the serious effect this will have on our textile industry in Canada?

Hon. Paul Hellyer (Minister of Transport): I will certainly be glad to bring this to the attention of the Minister of Industry, Trade and Commerce.

NATIONAL DEFENCE

RESEARCH ACTIVITIES IN CONNECTION WITH UNITED STATES A.B.M. SYSTEM

Mr. David Lewis (York South): Mr. Speaker, I have a question for the Secretary of State for External Affairs who, according to the roster, should be here today and who was here earlier.

Here he comes.

I want to ask the minister to inform the house as to whether the Canadian armament research and development section of the Defence Research Board has been and is now engaged in research in connection with the U.S. anti-missile system and, if so, under what arrangements, agreement or agreements this research is being done in Canada.

Hon. Mitchell Sharp (Secretary of State for External Affairs): The hon. member gave me notice of this question, otherwise I might have been tempted to turn it over to my colleague, the Minister of National Defence. But since there is an element of external affairs involved, I will undertake to answer it.

Research teams from Canada's Defence Research Board and the U.S. department of defence advanced research projects agency

joined forces in 1958 to carry out a long-term program of re-entry phenomena studies at upper levels of the earth's atmosphere, under an informal agreement between the heads of the two agencies, because of the proficiency and the unique facilities then developed at the Canadian armament research and development establishment. The results of the work have been equally available to Canada and to the United States. I might mention that the details were made public in October, 1968, in the Defence Research Board presentation to the Committee on Science Policy of the other place, and it was also reported in the annual reports of the Defence Research Board which were classified until 1966, but which since then have been unclassified.

I should add that the Canadian armament research and development establishment at Valcartier has not participated in any program for the interception of ballistic missiles.

Mr. Lewis: Mr. Speaker, I have a supplementary question. Can the minister inform the house, whether, as a result of the research done in Canada, the Canadian authorities and the government were informed of the range of the Spartan anti-ballistic missile and the range of the Sprint anti-ballistic missile in order that this government be made aware of the facts concerning the present A.B.M. system which has been proposed by the President of the United States?

Mr. Sharp: I understand that the research had to do with the re-entry phenomenon of the missiles which would be attacking Canada or the United States, and that it was concerned only with their paths and the problems of intercepting them, not with the development of the anti-ballistic missiles themselves.

ACTIVITIES OF U.S.S.R. NAVAL UNITS IN NORTH ATLANTIC

Hon. J. A. MacLean (Malpeque): I should like to address a question to the Secretary of State for External Affairs in the absence of the Minister of National Defence. Can the minister say whether Canada was informed by the U.S.S.R. of the purposes of the reportedly extensive exercise of some sort, by Russian naval units, that is taking place in the north Atlantic. If this is not the case, has the government been kept informed by any of its allies of the purpose of these movements, as well as they can be learned, and are these units of the Russian navy under surveillance by Canadian forces?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I will take notice of the question and refer it to the Minister of National Defence.

[*Translation*]

AIR CANADA

EMPLOYMENT OF PART-TIME STAFF

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to put a question to the Minister of Transport.

Can he tell us whether Air Canada has advised him of its intention to hire 150 part-time employees, that is 50 persons at each of its airports in Montreal, Toronto and Vancouver?

Mr. Speaker: I believe the question could be put on the order paper or taken up on adjournment this evening or tomorrow.

Mr. Godin: Ten o'clock, Mr. Speaker.

[*English*]

HOUSING

C.M.H.C.—CRITERIA APPLICABLE IN PROJECTS

Mr. Lincoln M. Alexander (Hamilton West): My question is directed to the Minister of Transport and results partially from his visit in Hamilton where, I understand, he spent some 37 minutes reviewing some 328 acres of urban renewal, costing—

Mr. Speaker: Order, please. Will the hon. member put his question.

Mr. Alexander: My question is: Is the minister now prepared to give the guidelines regarding public housing which he had indicated to the hon. member for Halifax-East Hants would be forthcoming? I believe the hon. member asked on March 25 whether this information would be given in writing and the minister said that it would be in the hands of the house within two or three days.

Hon. Paul Hellyer (Minister of Transport): I do not recall saying that this information would be in the hands of the house within two or three days. It is in the course of

preparation and I hope will be available in due course.

Mr. Alexander: I wish to rise on a point of order, Mr. Speaker. I am sorry if I misled the minister but according to *Hansard* of March 25, in answer to the question of the hon. member—if Your Honour will allow me—

Mr. Speaker: Order, please. It is my hope that we will not go into this. It is rather bad practice to read from *Hansard* a question that has been asked. Perhaps the minister might be given an opportunity to give a supplementary answer.

Mr. Alexander: May I ask a supplementary question? Will the minister inform us whether it is his intention now to visit all the urban renewal areas in Canada before he comes to a decision on the plans of the government for urban renewal schemes.

Mr. Hellyer: Regrettably I will not be able to visit them all, but I do hope to visit the eight or ten most urgent projects, to see exactly what is involved, in order to reach some judgment in respect of the total program so that, having taken a decision in respect of one or two, the precedent will hold in respect of the others that are outstanding.

Mr. Speaker: Order, please. I should like to bring to the attention of hon. members the fact that we have reached the period which is normally assigned to private members business. I wonder what the desire of the house is in this regard.

Hon. Donald S. Macdonald (President of the Privy Council): I wonder if there would be a disposition on the part of hon. members generally, and particularly the hon. member for Vancouver East (Mr. Winch) who would have had an opportunity today to speak in the private member's hour, to suspend the private members business and to continue with routine proceedings.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I should like to ask that we do not waive private members hour, because under private members business for today is notices of motions, and today is the fortieth and last day for most of them to be discussed. If we waive private members business today I will lose my place and my right to speak.

Mr. Speaker: It being five o'clock, the house will now proceed to the consideration of private members business.

Inquiries of the Ministry

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty pursuant to Standing Order 39A to inform the house that the questions to be raised at ten o'clock this day are as follows: the hon. member for Frontenac-Lennox and Addington (Mr. Alkenbrack), public buildings—Bath-Millhaven federal prison complex; the hon. member for Regina-Lake Centre (Mr. Benjamin), grain—allocation of box cars—discrimination against wheat pools; the hon. member for Winnipeg North (Mr. Orlikow), industry—inquiry as to concentration of ownership and control.

• (5:00 p.m.)

[*Translation*]

It being five o'clock, the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions, public bills.

[*English*]

Mr. Schreyer: Mr. Speaker, I rise on a point of order. My point of order is to ask the house leader whether he intends, as I understand he agreed with the house leaders of the other parties, to ask the house for permission to move an order relative to the transport committee, giving that committee power to call witnesses in regard to a certain matter. I understand the house leader agreed to ask permission to move this order, and I ask him whether he intends to do so now or some time later this day.

Mr. Macdonald (Rosedale): Mr. Speaker, some considerable time ago I delivered copies of the order to the house leaders opposite with the suggestion that they confer and advise me whether the order was agreeable to them. I have not heard from them yet. I do not have a copy of the order with me today, and I should like to hear from all house leaders whether they are agreeable before I take further action.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I told the minister Saturday night that it was acceptable.

Mr. Macdonald (Rosedale): I was told a lot of things on Saturday night, but I would sooner wait till I hear from all house leaders.

Animal Treatment Study

NOTICES OF MOTIONS

RESEARCH

STUDY BY STANDING COMMITTEE OF CARE, UTILIZATION AND TREATMENT OF ANIMALS

Mr. Harold E. Winch (Vancouver East) moved:

That, in the opinion of this house, the following matters should be referred to a standing committee, designated by the Prime Minister, with authority to call for persons and papers and report its deliberations with recommendations (a) the use of animals for medical research purposes, their care and utilization, and procedures for government licensing and inspection of, and control over, all premises using animals for laboratory research or medical training (b) the treatment of animals as pets and, as far as federal jurisdiction permits, recommendations regarding legislation providing penalties for those abusing animals, and any persons making a business of raising or catching animals for sale to research individuals or centres and not keeping same in a humane manner (c) the most humane method of trapping fur-bearing animals (d) consideration of the entire Canadian picture relative to the maintenance of fish, bird and animal wildlife and the regulations required for conservation.

He said: Mr. Speaker, I should like to invite all hon. members of the house to support motion No. 29 standing in my name on today's order paper. I do not feel it necessary to speak at great length on this motion because it is written in a way that is self-explanatory. However, I should like to say that I moved a somewhat similar motion in this house on December 20, 1967. On that occasion every hon. member who rose in his place to speak to the motion completely agreed in principle with it, but raised two objections to it. This was the reason it was talked out on that occasion.

The first objection raised was to the effect I had recommended that all matters affecting the trapping and killing of fur-bearing animals, the treatment of animals, cruelty to animals, their use in research and also the entire question of the conservation of the wildlife of our country be referred to the agricultural committee for study and consideration, the hearing of witnesses and the making of recommendations to this House of Commons. Objection was taken to my suggestion that the matter be referred to the agricultural committee. I did this because during my intensive study of these matters over the years I had found, almost without exception, that every country of the world that recommended studies of this nature always referred the question to their agricultural committee.

[Mr. Macdonald (Rosedale).]

In addition, any legislation dealing with the matter was always placed under the jurisdiction of the department of agriculture. Therefore, this is my reason for phrasing my motion today in this way, hon. members having failed to pass my motion on the previous occasion. My motion today does not name any committee. I have done what I anticipate will be agreeable to hon. members, in particular to hon. members on the government side, namely asked the Prime Minister (Mr. Trudeau), should the motion carry, to designate to which committee the matter should be referred.

The other objection that was raised in 1967 was this. I made reference on that occasion to the seal kill that takes place every year in this country, and objection was raised that the matter of seal killing was one for the Department of Fisheries, not the Department of Agriculture. As a result of that little excuse, my motion was not accepted.

This time I have also met that objection. I have not mentioned the seal hunt at all. This is included in the entire study of the trapping and killing of fur-bearing animals. In view of the fact that I moved the motion on December 20, 1967 and everybody endorsed it in principle, and since I have now removed those picayune objections which were taken, I trust hon. members will consider the matter to be strictly one of the principle and will endorse my motion as it stands.

There are two main principles of major importance here, in my estimation. It is rather remarkable that we in this country, who regard ourselves as civilized and humane to animals, have never made a study of cruelty to animals. We have never made a study of the use of animals in scientific and medical laboratories. Many members have read the evidence that has been given over the years, particularly the last five years, such as the evidence that was placed before the Lyttleton royal commission in the United Kingdom as well as a congressional study that was made in the United States. Sworn evidence given before those commissions amply demonstrates a situation that is in need of correction.

I am sure we can take it for granted there is not much difference between the use of animals in Canada for scientific and medical research and use of animals for this purpose in other countries of the world, particularly in the United Kingdom and the United States. Surely, this is a matter in which we should be interested, especially when I give the house instances of cruelty, and I shall give

but a few. For example, dogs are being placed in small cages for seven years without being let out in order to study certain reactions. There is sworn evidence and photographs describing dogs that for 24 hours a day for a period of months were given intermittent electric shocks so as to bring them to a state of exhaustion, hysteria and terror in order to study them. Sworn evidence was given before a commission that dogs—400 in one instance—had all their legs smashed in a press and died 24 hours later, no anaesthetic having been administered.

I use those illustrations of what has being going on to indicate not only that we have made no study in Canada in this regard but that we do not have what every civilized country of the world has, namely legislation regulating the licensing of organizations or institutions that require to use animals for medical and scientific research. Such legislation gives the right of entry to such institutions to ascertain what is going on and to ensure there is no unnecessary abuse of or cruelty to animals, with power to enforce regulations.

I am sure all hon. members who have read my motion realize I am not being dogmatic. I have made no recommendations. Because of the importance of the matter I have merely asked that it be referred to a committee, to be designated by the Prime Minister, for study and consideration, for the hearing of representations by all who are interested, in order to decide whether or not to make specific recommendations to the House of Commons and to the government of this country. Surely, such a suggestion is a reasonable one.

That is all I am going to say on this particular phase of the motion, but there is another phase in which I am keenly interested. I refer to the conservation of our wildlife, whether animal, bird or fish. There is no international boundary when it comes to animal, bird and fish conservation on this continent. I have been interested in this subject for many years. I had visited interested organizations in this country, the United States, Europe and the United Kingdom.

• (5:10 p.m.)

I was somewhat amazed to find that until two years ago the government of the United States had no interest in conservation. In the fall of 1967 they introduced the endangered wildlife research program. With the exception of the O.D.A. in Canada, the moves on the prairies and the latest move in British Columbia to set aside thousands of acres, this country has not shown an interest in the conservation of wild life. This move was brought about in British Columbia because several species of the bighorn sheep were practically extinct.

Scientific organizations interested in this matter have stated that in the past 150 years, 60 species of animals and birds have been completely exterminated on this continent. The latest scientific information I have been able to obtain states that since the turn of this century 23 species of birds have disappeared in this country and the northern part of the United States. They are gone; nothing can be done about that now. There is evidence available to show that birds and animals, not only in my province of British Columbia but other parts of Canada now face extinction unless something is done about the situation.

I have already mentioned two species of the bighorn sheep in British Columbia. Grizzly bears are now becoming very scarce in this country. According to a wildlife survey recently completed, there are approximately 12,000 polar bears left in the world. These are being killed at the rate of 1,200 a year.

I ask hon. members to take an interest in this most vital matter and refer it to a committee for study. This committee should hear representations and bring in recommendations as a result of their accumulated knowledge. The United States has finally established the endangered wildlife research program. It is just as essential that there should no longer be a delay in Canada taking action on this matter.

I was raised by parents who did not believe in killing. I have never shot at a bird or animal in my life, nor at a man. I was taught that one should only kill in self-defence or for food requirements. At the same time, I have never been narrow minded on the question of sportsmanship and killing of birds and animals. How they call it sportsmanship, I do not know, but I am not narrow minded. As a matter of fact, I am an honorary member of a rod and gun club in Vancouver. The reason I am a member is because of their interest in conservation. This organization recognizes that we have the responsibility of seeing that the wonderful wild life in this beautiful country continues to exist. Those who come after us should also be able to enjoy the wildlife in this country.

It is not often that I quote from *Reader's Digest*. However, when reading this magazine last night, I came across a fine article which

was condensed from *National Wildlife*, the title of which is "From the Brink of Extinction". In this article, the director of the National Wildlife Research program makes reference to a letter received from a boy. I quote:

"Not always those you'd expect—"

This refers to people writing letters.

"The majority of support comes not from the birdwatcher, camper, fisherman, hunter, but from people in cities." He handed me a typical letter. It was from Harlem, and the first sentence read: "I may never see a whooping crane, or any wild thing, but I hope you save them. I want to know they are there." So do millions of other people who look with concern as species after species, each a part of the miracle of life on earth, is threatened with extinction.

I ask the support of hon. members to refer these matters of vital concern to a committee of the House of Commons for study, consideration and recommendation.

Mr. Murray McBride (Lanark and Renfrew): Mr. Speaker, I want to assure the hon. member opposite that one of the paramount concerns of all politicians is the possibility of becoming extinct. Although some people might treat this subject in a light way, it deserves to be treated seriously.

I rise to participate in this debate for several reasons. I wish to compliment the hon. member opposite in whose name today's private members' notice of motion stands. He is not the only member who has serious concern about what can, and sometimes does, happen to animals.

This notice of motion, Mr. Speaker, has four parts. I propose to address myself to each in turn. Before doing so, I wish to draw the attention of this house to a bill bearing on this subject which was given first reading December 19 last, Bill C-150 an act to amend the Criminal Code. This motion today stands under the date of September 18, just over three months prior to the introduction of Bill C-150.

• (5:20 p.m.)

By the way, I understand that Bill C-150 has just completed clause by clause study in the Justice Committee of this house. I submit to you, Mr. Speaker, that Bill C-150 covers many of the very concerns which are paramount in this motion, especially in section (c). Since there exists considerable evidence to suggest to hon. members that Bill C-150 will in fact become the law of the land in the near future I wish to take the liberty to remind the house once more just what clause 23 of Bill C-150 does state. Then, its bearing on this motion may be fully appreciated.

The explanatory note to clause 23 reads:

The proposed subsection (3) would provide that evidence of failure to exercise reasonable care and supervision of an animal or bird resulting in pain, suffering, damage or injury is, in the absence of evidence to the contrary, proof of the commission of an offence—

The amendment would also provide for an order prohibiting a person convicted on two or more occasions under subsection (1) from owning or having custody or control of a domestic animal or bird for a period of up to two years.

I want to draw the attention of the house to the fact that I understand the Justice Committee has made an amendment to the bill, broadening its terms of reference. This provision with no longer be restricted to domestic animals but will cover wildlife and game birds as well.

Mr. Winch: But it does not cover research animals.

Mr. McBride: I will come to that in a moment. Clause 23 refers to:

—evidence that a person failed to exercise reasonable care or supervision of an animal or bird thereby causing it pain, suffering, damage or injury—

Obviously, this means animals that are kept domestically, and does include animals that are kept for research, as the hon. member for Vancouver East (Mr. Winch) has just pointed out.

Now, coming to paragraph (a) in the notice of motion, I wish to point out it is obvious that animals must be used for medical research purposes. This is self-evident to all hon. members. The point is a very simple one, that all reasonable care should be taken to prevent, to as large a degree as possible, unnecessary suffering of research animals. However, it must be noted that the first aim of research is to prevent human suffering. The second aim of research is to realize reliable data for a high quality of research. The third aim of research is to do scientific investigation which does result in high quality and reliable data, with the highest possible degree of efficiency. By efficiency, I mean the least expenditure of moneys and the least possible unnecessary suffering of the animals concerned. I propose to refer to paragraph (a) again in my concluding remarks, so I will now proceed to paragraph (b) which reads:

—the treatment of animals as pets and, as far as federal jurisdiction permits, recommendations regarding legislation providing penalties for those

abusing animals, and any persons making a business of raising or catching animals for sale to research individuals or centres and not keeping same in a humane manner—

As I have already said, Mr. Speaker, the bulk of this paragraph is covered in Bill C-150. In fact, Bill C-150 is an improvement on paragraph (b) because although the original draft referred only to domestic animals and birds it has now been broadened to include all types of animals.

Paragraph (c) refers to:

—the most humane method of trapping fur bearing animals—

This raises a very difficult problem.

How can one raise animals and live on the proceeds from the sale of their skin and fur, yet at the same time to be considered by society as a humane person? It seems to me that so long as society lives on animal meat, animal skins and animal products we are faced with a very serious problem. The hon. member for Vancouver East has already referred to the seal hunt, which has been much in the news. Most of us know fur farmers. Indeed, there are some very successful ones in my constituency.

I would go one step further and draw attention to the fact that animals kept for research are really very little different from any type of domestic livestock because they are all maintained in order to realize a profit to their owners. Indeed, livestock and poultry maintenance involved certain practices which are not so much inhumane as they are part of life's realities.

I refer to the need for slaughter houses, if we are to be carnivores, to the need to perform certain procedures on animals which might be deemed by some to be inhumane but which are accepted by the agricultural industry as necessary to good livestock management. For example, dairy cows throughout Canada are tied into stalls in late October or early November and never released until April or May. During that time they are not allowed to take two steps forwards or backwards. Hackney horses have their tails held in special holding devices that eventually distort and bend the backbone upwards at the base of the tail to provide for a so-called more flowing beauty, but certainly with no little agony to the animal at some point along the way.

You, Mr. Speaker, and all hon. members who are familiar with the agricultural industry, will be aware that young calves, have caustic soda applied to their horn buds or, if not, are dehorned with saws or large levered cutters, which is certainly a painful procedure. I have seen this done both ways and it is indeed painful. Lambs' tails are docked. Their tails are simply cut off, as are the tails of many horses, in both instances without benefit of anaesthesia. Boar piglets, bull calves, ram lambs and male colts are castrated without benefit of any type of anaesthetic, and all as a necessary part of livestock management.

I therefore, submit that it is necessary to keep all of this in focus when we discuss a motion such as the one now before us, because it is easy to get into the position of saying that people exist to serve animals. I hope I do not sound too callous when I state very firmly that in my opinion the precise opposite is true, that animals exist to serve people.

Being aware that other hon. members wish to participate in this debate this afternoon I shall sum up my remarks at this point. I conclude by saying that I have great sympathy for animals. We have a dog at our house called Zippy, that is almost a member of the family and sometimes rates much higher than I do. However, Mr. Speaker, let us keep first things first. People are more important than animals. We must protect research animals, that is true; but we must use them to help make people well, not idolize or worship them. Too often, dogs are more protected than refugees and other casualties of war.

I must confess very bluntly that I am more concerned about child brutality, some startling examples of which have recently come to public view, than I am about the agonies of dogs, cats, monkies, guinea pigs and spruce bud worms, the latter being a subject upon which I was permitted to work for a whole summer one time in Northern Ontario. I feel that no one can quarrel with the final section of this notice of motion. I felt the hon. member for Vancouver East (Mr. Winch), made a very good point when he listed some of the species of animals about which he was concerned such as bighorns, grizzly bears and so on. I feel all of us must certainly take steps to support the action taken by governments, individuals or voluntary organizations in this regard. Just as we must be against pollution or anything else that diminishes the features of the world in which we live, so also we must be for conservation.

• (5:30 p.m.)

In conclusion, I should like to commend the hon. member for Vancouver East. I think he

has placed before us a motion which is very important though very wide in scope. It is sort of an omnibus motion which involves many areas of concern and therefore will be of much interest to many members.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, I would like to say a few words on that notice of motion.

I want to congratulate the hon. member for taking the defence of animals, which, incidentally are not represented directly in the house. However, a few thoughts come to my mind on that subject.

It is very praiseworthy to care a lot for animals. Indeed, everybody likes animals. If certain individuals are led to mistreat animals, we can conclude that they are abnormal, for an instinction feeling leads man to like them.

But we should not make a major discussion out of the question. It seems to me it would be displacing the human values, for if life was made so that animals can serve man, be it in the field of food, or research, or sports, it follows that if we push the protection of animals too far, we would have to give up eating meat, hunting or fishing, as well as pursuing scientific research.

I do not think that conscientious scientists, hunters or consumers enjoy ill-treating animals for the fun of it. There may be cases of cruelty but they are already provided for in the law.

But when such a question is raised, I think of how little importance we attach sometimes to this superior animal which is man himself, especially at a time when the house is considering the famous omnibus bill which has for object to legalize killing the foetus. In my opinion, it is a confusion of values.

How is it that so little respect is shown for the embryo of the human being, and so great a concern for the protection of animals?

The comparison perhaps is odious, but still these are facts. Is it possible that we have no scruples about passing a legislation which will make abortion legal while at the same time we are discussing the protection of animals?

I think it is high time that we awake to the necessity of protecting the most perfect animal of all creation, which is man. He must be ensured the respect which is owed to every human being because of his intelligence as well as because of his body. I believe proper legislation to ensure protection to this kind of animal, man, has not yet been passed.

Before discussing further this legislation which we are asked to pass, I think we should tarry a little to consider the real problem of the human animal. This is what strikes me in this advice of motion, Mr. Speaker, and I do not think it would be a bad thing to stop a moment and think this over. We should not go too far. We all agree that animals have to be protected adequately, as is proposed in the notice of motion; we should not think, however, as they do in India, that some cows are sacred. We know what was the result there of such a belief.

We have to follow the scale of values set by God. However, animals which are there to serve man, must be given some measure of respect. But, most important of all, the human being has to be respected.

I think there would be no reason not to endorse that legislation, but I simply want to emphasize the fact that we have every reason to protect the human being.

I wish to point out in particular the relation between this bill and the other one on abortion, which, as far as I am concerned, pays no attention to the human being and to life.

We do not object to that motion, but I think every effort should be made to protect the most perfect animal of the whole created world, that is, man.

[*English*]

Mr. Maurice Foster (Algoma): Mr. Speaker, this motion of the hon. member for Vancouver East (Mr. Winch) envisages the establishment of one of the standing committees of the House of Commons as a committee to inquire into practically every facet of the treatment of animals in Canada, including not only our domestic animals and household pets but also wild animals, birds and fish. It might be well to include the much maligned creature homo sapiens.

Mr. Winch: He can look after himself; the animals cannot.

Mr. Foster: As the hon. member has suggested, when he orginally introduced this motion in 1966 or 1967 there was some discussion concerning the committee to which this matter should be referred. Should it be the Committee on Agriculture? Should it be the Committee on Fisheries and Forestry? Should it be the Committee on Justice and Legal

Affairs or should it be the Committee on Health, Welfare and Social Affairs?

So far as our domestic food producing animals are concerned, the Committee on Agriculture would be ideal. But when we think of fish, seals and the wild animals of our forests, we naturally think of the Committee on Fisheries and Forestry. With regard to research animals for laboratories and medical student training as well as household pets, it would seem that this aspect could well be handled by the Health, Welfare and Social Affairs Committee.

As the hon. member for Lanark and Renfrew (Mr. McBride) has already mentioned, when we think of the cruelty to animals aspect of this motion and the Criminal Code application, the Committee on Justice and Legal Affairs may well appear to be the best standing committee.

I believe the subject of humane treatment of animals is of increasing concern to more Canadians. I suppose this is natural since our country has moved from a pioneer frontier society, first to an agricultural society and, finally to an urban society. Indeed, I heard recently that within a very few years some 80 per cent of our population will be living in an urban type society. At the same time, the number of fishermen and trappers decreases every year in Canada because this is a very difficult occupation.

• (5:40 p.m.)

The great interest taken in the seal hunt in the Gulf of St. Lawrence is a good example of the amount of public interest which can be generated in this subject by extensive publicity in the press and television. I visited the Gulf of St. Lawrence a couple of weeks ago with the Minister of Fisheries (Mr. Davis) to view the over-all scene and we saw a good example of what happens there each year. The activities in the gulf are only a relatively small part of the total seal hunt, much of which takes place in the area known as "The Font", nearer Newfoundland and Labrador. We found the regulations established by the Department of Fisheries were being followed as closely as humanly possible by the seal hunters. If we relate seal hunting standards to accepted standards when killing other kinds of fur-bearing or food-producing animals, the techniques are humane. Comparable measures are used in slaughter houses, and to kill other fur-bearing animals across our land. The animal is stunned to unconsciousness, then bled so that it never regains consciousness. But can we really justify the seal hunt because it compares favourably in certain respects with techniques used to slaughter food-producing animals?

The age of electronics changes all this. When the slaughter of young seals is shown in the nation's living rooms on colour television right after dinner, the spectacle appears repulsive. Is it all the fault of the press? Should we ban the press? A free press is the cornerstone of our democratic process in Canada. One of my hon. friends suggests we use the same techniques on the press as on the seals, but I do not think that would be practicable, Mr. Speaker.

One of our problems is that society in Canada is changing. The main question the hon. member's proposed committee would have to study is this: what are our accepted norms of humane treatment of animals in Canada in 1969? Where do we draw the line between what is acceptable to the urbane, sophisticated city-dweller and the trapper in the northern regions of Canada or the seal hunter on "The Front" off the coast of Newfoundland?

With regard to the treatment of pets and animals used for research, much of the work which the motion envisages a committee might do has already been carried out by the Canadian Council on Animal Care. This council was established in January, 1968 in line with a recommendation of a report on the care of animals used for experiments drawn up by a special committee of the National Research Council. The report was published in June of 1966 and the Canadian Council on Animal Care is attempting to implement the recommendations contained in the National Research Council report. The council is made up of representatives from the Association of Universities and Colleges of Canada, the Association of Canadian Medical Colleges and of the granting bodies supporting research which utilizes animals, as well as government departments and the Canadian Federation of Humane Societies. I believe these people are well qualified to look into questions which the hon. member's motion suggests are suitable subject for inquiry by a committee of the House of Commons.

The objective of the Canadian Council on Animal Care has been to develop guiding principles for the care of animals used in experiments. I have in my hand a publication put out by the Canadian Council on Animal Care, entitled "Care of Experimental Animals, A guide for Canada". In addition to setting out standards of housing and care for animals

used in experiments it establishes responsibility for their proper care and treatment. One need only open this booklet to realize that a great deal of work in this area has already been done. Under the heading "A Philosophy for the Care and Use of Experimental Animals" the three items listed are: (1) to provide humane care and treatment; (2) to minimize pain and discomfort; (3) to avoid unnecessary abuse. The book gives us a complete outline of the type of environment in which the animals should be housed and cared for, noting such factors as temperature, humidity, ventilation, light, noise, odour control, type of structure, walls, floor and windows, ceiling and corridors, which are necessary to ensure proper care and treatment of laboratory animals.

Under "General Husbandry" we read about the type of identification, record-keeping and caging which are recommended for the general wellbeing of the animals kept. Attention is paid to food and water, varmint control, waste disposal and disease control, safety procedures, anaesthesia and euthenasia. There is also a general outline of procurement and transportation procedures, together with an outline for responsibility for animal care and notes on the responsibilities of animal attendants, technicians, directors and investigators. I believe this booklet is a complete though concise outline dealing with many factors which relate to the care and control of laboratory animals.

In January of this year, assessment panels were appointed by the council and began an inspection of animal facilities and procedures at universities across Canada. Every university in Canada using animals for experiments is being visited by a team of three to five individuals experienced in animal care and experimentation. Membership of these panels includes representatives from the technical advisory committee of the Canadian Federation of Humane Societies. I am told that in addition to their concern with animal care facilities these panels review the safeguards attached to animal experimentation so as to ensure that humane and ethical treatment of experimental animals is enforced and that proper use is made of our animal resources.

Some of the matters which the hon. member suggests should be reviewed by a House of Commons standing committee are really the responsibility of the provinces. For instance, the province of Ontario has recently introduced a very controversial bill, number 73, concerned with the procuring of laboratory animals from the municipal and S.P.C.A. dog pounds. Other provinces, namely Saskatchewan in 1953 and Alberta in 1966, have passed laws concerning pound procurement of unclaimed stray dogs. These provincial laws fulfill the recommendations of the report of the special N.R.C. committee on the care of experimental animals.

• (5:50 p.m.)

Thus, for a standing committee of the House of Commons to study this matter might draw attention to the problem in other provinces, but the committee would be spending time studying matters which are essentially of provincial concern. I would, therefore, suggest that some of the subject matter of this motion could be referred to a standing committee of the House of Commons. Some of it is within provincial jurisdiction, and some of these items have already been studied and reported on by competent investigatory groups.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I want to say just a few words on this motion. Like a great many hon. members, I have been interested in this matter for a number of years. One of the main features of the motion is that there should be a national study by a House of Commons committee on the general well-being of animals. Because time is short, I shall deal with only that section of the motion which has received a good deal of attention from the hon. member for Algoma (Mr. Foster).

The hon. member for Lanark and Renfrew (Mr. McBride) referred to the fact that in his opinion this problem would be adequately covered by the proposed amendments to the Criminal Code. I do not believe this is so. The difficulty with respect to experimental animals is not that there are not very good regulations put out by the Canadian Council on Animal Care, to which the hon. member for Algoma referred, but that in spite of their having laid out all these good regulations and ideas there is no legislation in Canada to enforce such regulations and standards.

In my opinion it does not help to shelter behind the jurisidiction of the provinces. If there is a Canadian Council on Animal Care, there ought to be Canada-wide legislation to enforce its standards with regard to animal welfare, animal well-being and the care of research animals. There ought to be, as my colleague, the hon. member for Vancouver East (Mr. Winch) pointed out, legislation to

deal with the licensing of premises used in this connection, the entry of inspectors, and power to enforce regulations in general. No matter how well they may be operating, there is no legislation under which the Canadian Council on Animal Care works. This is the point that the hon. member for Vancouver East was making.

The hon. member for Lanark and Renfrew referred to Bill C-150, which deals basically with pet animals, and said that this legislation has been widened. The hon. member should have referred to another bill, because then I think his comments would have been more penetrating. I refer to Bill C-44, which was introduced this session by one of the hon. member's colleagues on that side of the house, the hon. member for Victoria (Mr. Groos). The description of that bill is as follows:

An act to provide for the humane treatment of vertebrate animals used in scientific and industrial experiments, tests or training by recipients of grants from the government of Canada, by agencies of the government of Canada and by persons manufacturing pharmaceutical or biochemical products for sale to the government of Canada or to any of its agencies.

That is a strictly federal bill. Unfortunately, because it is a private members' bill and because it was not lucky in the draw, it will not be discussed this session. But I think that bill is very much to the point. Consequently, I am more than ever convinced that we should not rest until this whole matter has been studied by a House of Commons committee. Whether it be the agricultural committee or another committee is not important at this stage. The important thing is to recognize the necessity of undertaking such a study.

The predecessor of the present Prime Minister showed great interest in such a committee being established. When I asked this session that such a committee be established, the only objection raised by the government house leader was that there was not sufficient time to deal with the matter, having in mind other legislation to be considered by the house. But I urge that we take the first opportunity to establish such a committee and thereby really measure up to our responsibility for looking after the welfare of animals in this country. We have expressed our responsibility in this regard, now let us act upon it.

[*Translation*]

Mr. Antonio Yanakis (Berthier): Mr. Speaker, first of all I would like to congratulate the hon. member for Vancouver East (Mr. Winch) for drawing the attention of the house to this very relevant question.

I wish to join briefly in this debate because my riding, that is Berthier, is essentially a rural one and a large number of my constituents are engaged in the breeding and slaughter of animals. As representative of this riding, I must see that the latter activity is carried out in the most humane way possible.

In the Berthier riding, there are fish-breeding stations for purpose of supplying the lakes for fishing and for experimental purposes. There is mink-breeding for commercial purposes and hogs, cattle, chickens, etc. are raised for the market.

Having visited various facilities, I am happy that modern and humane methods are used today which are oddly different from the cruel ones in use previously and which are still too often employed, namely clubs, knives, axes or else the method which we recently deplored during the seal hunting season.

The Acting Speaker (Mr. Béchard): Order. Private members' hour having expired, I do now leave the chair until eight o'clock.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

ORAL QUESTION PERIOD

LABOUR RELATIONS

DISPUTE BETWEEN SHIPPING FEDERATION AND LONGSHOREMEN

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is directed to the Minister of Labour. In view of the fact that the date of March 31 has arrived, can the minister tell us what he intends to do tomorrow with regard to the situation not only in the port of Montreal but along the whole of the St. Lawrence River.

Hon. Bryce S. Mackasey (Minister of Labour): Until I receive the conciliation board report, which I should receive by midnight, I have no way of anticipating what the position will be in the port of Montreal tomorrow. As hon. members know, seven days after receiving the report the unions

could conceivably go on strike or management could conceivably lock the unions out. At the present moment, I understand that negotiations with the conciliation board are going on and, I presume, will be going on until ten or eleven o'clock this evening. I can only hope that a satisfactory settlement is reached.

To recapitulate, I must receive the conciliation board report by midnight tonight.

Mr. Lambert (Edmonton West): I have a supplementary question, Mr. Speaker. I should like to ask the minister whether, without giving a legal opinion, he can advise the house on the status of the injunction obtained about 15 months ago with regard to the port of Montreal.

Mr. Mackasey: Not being a lawyer, I am not sure of the proper terminology. If I recall and this is subject to correction, I believe the injunction was kept in abeyance last year by some legal procedure as part of a settlement.

Mr. Lambert (Edmonton West): I have a further supplementary question, Mr. Speaker. I cannot tell from this cock-eyed roster whether the minister will be here tomorrow. If he is, will he give a statement in the house with regard to this matter because, so far as Canada is concerned, the situation on the river is scandalous.

Mr. Mackasey: It is a matter of opinion as to who made it scandalous, labour or management.

[*Translation*]

AIRPORTS

MONTREAL—SUGGESTED USE OF C.B.C. TO PUBLICIZE NEW SITE

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I would like to put a question to the Minister of Transport.

As he stated this afternoon that he had to use the services of a private advertising agency, why did not the minister see fit to use the C.B.C. which after all is a government advertising policy, to announce its policy?

[*English*]

Hon. Paul Hellyer (Minister of Transport): I will have to take that question as notice. I do not know whether or not the C.B.C. provides a commercial service. I have forgotten what the exact reason was, but I will be glad to find out.

Mr. David Orlikow (Winnipeg North): I have a supplementary question, Mr. Speaker.

[Mr. Mackasey.]

I should like to ask the minister if he does not have enough public relations people in his department, why he had—

Mr. Deputy Speaker: Order, please.

[*Translation*]

[*Later:*]

Mr. Rondeau: I wish to ask a supplementary question of the Minister of Transport.

Could he tell the house why he thought appropriate to call upon the services of a private commercial agency, instead of those of the C.B.C.? Can we expect that in the future government policy will be announced in much the same manner as soap is?

[*English*]

PREPARATION OF TAPES RESPECTING SITES—CONSIDERATION OF POSITION OF QUEBEC GOVERNMENT

Mr. Eldon M. Woolliams (Calgary North): I have a supplementary question, Mr. Speaker. Now that the minister is the Acting Prime Minister and has the necessary degree of authority, I wonder if he could tell us whether any tapes other than the one with regard to the announcement of the new site, were made in Ottawa or any other place prior to the announcement in the house.

Mr. Hellyer: I am not sure I understand my hon. friend's question. To what other tapes is he referring?

Mr. Woolliams: I can make it very clear for the Acting Prime Minister. Was any other tape made with reference to any other site than the one that was made in relation to the pronouncement in the house?

Mr. Hellyer: Not to my knowledge.

Mr. Woolliams: I have a further supplementary question. I am sure the Acting Prime Minister had all the facts when he said no other tape was made. Did he make any other tape?

Mr. Bell: Not to his knowledge.

Mr. Hellyer: No, I did not, Mr. Speaker. I was hopeful that the cabinet would take the decision that it did which, in my opinion, was the right one. I think it was superior in all respects to the two sites which were favoured by the province of Quebec. I think it was in the best interests of the people, not only in the Montreal region but of all the taxpayers of Canada, that the site that was chosen was chosen. With that in mind and with the hope

that the cabinet would agree that the technical consideration should prevail over the political consideration of choosing the site on the South Shore, I felt it was wise to prepare what I had hoped would be useful information.

Mr. Woolliams: I suggest to the Acting Prime Minister, who must know Tennyson, that the cows may come and the cows may go, but the bull goes on forever.

Mr. Deputy Speaker: Order, please.

Hon. Marcel Lambert (Edmonton West): I have a supplementary question, Mr. Speaker. Will the minister advise us whether he felt that the making of the tape by himself and his colleague could be used for the moral suasion of his colleagues in the cabinet?

Mr. Deputy Speaker: Order, please.

Mr. Lambert (Edmonton West): I have a further supplementary question, Mr. Speaker. Will the minister kindly advise the house whether the Minister of Forestry and Rural Development was stating the government position when he indicated that if the province of Quebec had felt strongly enough about this decision and could advance other arguments the cabinet would have given it further consideration and review?

Mr. Hellyer: We were open for discussions all along. We started co-operating with the province of Quebec many months ago, and we gave them access to all the technical information we had. They made information available to us to support the various points of view that they wished to put forward. This spirit of co-operation on our part was manifest right through to the end. As I indicated this afternoon, we would even have been willing to meet with them again in the final days or hours before the cabinet took its decision last Thursday, and if there was any technical information or any fact which had been overlooked, to give it the consideration that it would deserve.

Mr. Woolliams: You gave it ahead of time.

CANADA COUNCIL

ALLEGED REFUSAL TO GIVE GRANTS TO AMATEURS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Secretary of State. Can the minister tell us whether or not the Canada Council has recently changed its policy with regard to grants given to amateur talent in Canada, and whether in fact the council has refused to give grants to amateurs in the field of arts in Canada? If so, when did this policy change?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I was not informed of any such change of policy, but I shall gladly get in touch with the Canada Council to find out about any initiative on their part that I would not know about.

[*English*]

Mr. Nesbitt: I have a supplementary question, Mr. Speaker. If I understand the minister correctly, it is still the policy of the Canada Council to give grants to those in the field of arts who are still regarded as amateurs rather than professionals.

[*Translation*]

Mr. Pelletier: I am sorry, Mr. Speaker, but that is not what I said. I said that to my knowledge, the Canada Council policy has not undergone any substantial change recently. And I do not think that it has ever been the Canada Council's policy to subsidize amateur groups, except to help them acquire a professional status as quickly as possible providing they were already close to such status.

[*English*]

Mr. Nesbitt: A supplementary question. I am sorry to press the matter but there is some urgency and importance to it as far as many groups are concerned. So that there is no misunderstanding, is it then the policy of the Canada Council to give grants to professional groups only in this country?

[*Translation*]

Mr. Pelletier: Mr. Speaker, I have just said the opposite. I am quite willing to get more precise information on that and to read again certain texts, but if I am not mistaken, the Canada Council's aim is to subsidize professional groups or groups likely to become professional in a short time, through the help of such grants.

[*English*]

TRANSPORT

FREEZE ON MARITIME FREIGHT RATES

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I want to ask the Minister of Transport a question about the freeze on maritime freight rates, a question I have been

trying to ask for some time but the minister has been busy with other problems.

In view of the postponement of the legislation and commitments made in the house, and also in view of the great consternation of the maritime shippers about the matter, since the minister will not be here tomorrow can he say before the Easter recess whether there will be any increase in rates, or is there a definite commitment from the railways that the rates will not be increased?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I understand that, on the basis of discussions we had with the railways as soon as the bill was introduceed, as an act of good faith on our part, they agreed not to increase their rates pending passage of the bill.

Mr. Bell: May I just be sure of that, Mr. Speaker, because the minister may have mixed the question up, though of course not intentionally. Until the legislation dealing with this question comes in and is passed, the railways have categorically promised not to increase these rates on which there is presently a freeze?

Mr. Hellyer: That is my understanding. There is no reason for hesitation on my part except that, as my hon. member friend knows, it is impossible to be categorical about all things. But it is my understanding that there will be no increase on the basis that the bill will be passed.

Mr. James A. McGrath (St. John's East): A supplementary question, Mr. Speaker. In view of the fact that this matter is dealt with in the fifth report of the transport committee and I understand that concurrence in the report will be moved tomorrow, will the minister obtain an assurance from the government house leader that the house will, in fact, concur in this report tomorrow?

AIRPORTS

MONTREAL—REFERENCE OF EARLY DISCLOSURE TO STANDING COMMITTEE ON TRANSPORT AND COMMUNICATIONS

Mr. David Lewis (York South): Mr. Speaker, I should like to direct a question to the President of the Privy Council, in his capacity as government house leader, arising out of the discussion this afternoon on the question of privilege of the hon. member for Calgary North and some of the answers given this evening. In view of the fact that members of the house are concerned about the early disclosure of the choice of the site of the airport, would the President of the Privy Council give consideration to referring the matter of the early disclosure the way it was done, and the reasons for which it was done, to the standing committee on transport so that committee can study it and make a report to the house on the propriety or advantages, or the impropriety or disadvantages, of what was done?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, it seems to me abundantly clear that there was no impropriety of any kind, and that no advantage would be gained from continuing this discussion. If the hon. member is seriously interested in the question he should encourage his colleagues on the transport committee, who at the moment are considering the estimates of the department, of transport to discuss the matter further in the committee.

Mr. Lewis: A supplementary question. Surely, the President of the Privy Council is aware that even I knew of that possibility. What I am asking him is whether he agrees to a house order referring the matter to the transport committee so that the transport committee would then discuss it, instead of having an argument about whether or not the committee should do something about it.

Mr. Macdonald (Rosedale): If the hon. member knew about that possibility he would not have asked the second question. The estimates of the Department of Transport are before the committee and the building of airports in Montreal is one of the subjects that can be discussed.

GOVERNMENT ADMINISTRATION

POLICY ON PRETAPING OF ANNOUNCEMENTS

Mr. Eldon M. Woolliams (Calgary North): A supplementary question, Mr. Speaker. I should like to ask the President of the Privy Council whether it is now government policy to pre-tape all government decisions in the manner this decision was?

Some hon. Members: Order.

Mr. Woolliams: Just because government backbenchers yell "order"—

Mr. Deputy Speaker: Order, please. The hon. member appreciates that this is a rather new assignment for me, but my understanding is that a question of that nature can be

asked of the Acting Prime Minister, not of the President of the Privy Council. In any event, though I hesitate to prejudge the matter, it seems to me to be argumentative.

Mr. Woolliams: Mr. Speaker, nothing has made me happier than the direction you have given me, and I think it is proper. May I ask the question of the Acting Prime Minister, because he is well aware of the facts. Is it now government policy that confidential information and information of the kind we have been discussing will now be pre-taped?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I do not think there is any policy, but as I indicated the government took the decision to do it in this case. I am sure that anything as complex and technical as were the factors entering into a decision of this kind would justify the use and preparation of electronic press releases, as was done in this case. I would recommend it to anybody who was dealing with a situation as complex and difficult as this. I would recommend it to my hon. friend sometimes too.

Mr. Woolliams: May I ask one further supplementary question. Did the minister's colleagues in the government approve of the decision that he and the other minister took in this regard?

Mr. Deputy Speaker: Order, please.

POTATOES

FLOOR PRICES—ACREAGE PAYMENTS

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I address my question to the Minister of Agriculture. Has the minister any announcement to make as a result of a meeting held today between a delegation from Prince Edward Island and the stabilization board regarding the possibility of a floor price for potatoes to take effect in June owing to the very unsatisfactory level of potato prices for the past three years, over and above the diversion program that has already been announced?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we had a very useful exchange with regard to this problem and the magnitude of the problem. A number of administrative considerations would have to be taken into account in the kind of program suggested by the hon. member. However, I am not prepared to make a statement today. Indeed, I think it will take several days to consider all the matters that must be considered before an announcement can be made.

Mr. David MacDonald (Egmont): A supplementary question, Mr. Speaker. I wonder whether the minister would indicate, in view of the fact that time is very short for potato growers in Prince Edward Island and other parts of the Atlantic region, whether he or his government is giving consideration to instituting again this season acreage payments somewhat similar to those enacted last season?

Mr. Olson: No, Mr. Speaker. The information that has come to me during the last few months indicates that, in fact, the potato growers do not like that kind of program.

Mr. MacDonald (Egmont): A further supplementary question. Can the minister assure the house that whatever steps are taken will be taken in time to give assistance this growing season to the potato producers of Prince Edward Island?

Mr. Olson: What is in time and what is not is, of course, always relative. We want to be as helpful as we can in what we recognize to be a very severe market situation.

AIR CANADA

DORVAL—ADDITIONAL EXPENDITURE ON MAINTENANCE BASE

Mr. E. B. Osler (Winnipeg South Centre): Mr. Speaker, I should like to ask the Minister of Transport a question. On the third of February when answering a question he stated Air Canada was considering further developments at Dorval in addition to the $21,200,000 expenditure referred to. Has the government authorized since then an additional project involving on expenditure of somewhere around $54 million for shops, hangar bases and other matters?

Hon. Paul Hellyer (Minister of Transport): I have to take this question as notice, Mr. Speaker, and get the airline to prepare a full statement for my hon. friend which will give him all facts in respect of their plans concerning the construction of maintenance bases.

Mr. Joseph-Philippe Guay (St. Boniface): In view of the fact the minister will be looking into the question asked by the hon. member for Winnipeg South Centre, will the minister ask Air Canada whether included in this $54 million is $21,500,000 for new overhaul facilities at Dorval?

Inquiries of the Ministry

My second question, Mr. Speaker, is the new jumbo hangar costing another $21 million included in the special projects budget or is it part of the 1968 budget?

My third question, Mr. Speaker,—

Mr. Deputy Speaker: Possibly the Minister of Transport would like to incorporate the supplementary questions in his jumbo statement to be made at some future date.

Mr. Hellyer: If I could answer, Mr. Speaker, the statement I have undertaken to obtain will answer the first, second, and possibly even a third question.

An hon. Member: He hasn't asked the third one yet.

INDUSTRY

DEVCO—COMPULSORY RETIREMENT OF MINERS

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question that should properly be put to the Minister of Forestry and Rural Development. In his absence, I will direct it to the Acting Prime Minister. Since Devco presented the government with an early retirement plan, can the Acting Prime Minister indicate to the house whether the government has sanctioned the idea of compulsory retirement for miners at the age of 60?

Mr. Russell C. Honey (Parliamentary Secretary to the Minister of Forestry and Rural Development): Mr. Speaker, maybe I could check that. I could refer it to the minister for an answer later.

Mr. MacInnis: Mr. Speaker, with all due respect I think possibly this question could be answered by the Minister of Labour or the Minister of Manpower and Immigration. This is a very urgent matter. It has been brought to the attention of the government on several different occassions. The plan of compulsory retirement at the age of 60 has been before them for quite some time.

This is not a pension plan, it is an early retirement plan. The company keeps the books and maintains that these employees must remain on the roll subject to recall.

Some hon. Members: Order, order.

Mr. Deputy Speaker: Order, please. I suggest the hon. member might be allowed to ask the question.

Mr. MacInnis: With all due respect to you, Mr. Speaker, I think it is very important that someone inform the government as to what is going on, especially the backbenchers.

Mr. Deputy Speaker: Order, please. Without prejudging that particular point of view—that may be the case but this is not the time to debate it—I invite the hon. member to put his question directly.

Mr. MacInnis: With all due respect, Mr. Speaker, I had put the question. I put the question a number of times over the past several months and I always get the same answer. Somebody refers it to somebody else. Is there no one on that side of the house who knows what is going on?

Mr. Speaker: Order.

Mr. MacInnis: On a question of privilege, Mr. Speaker. I do not intend to take the time of the house to refer to precedents. This question has been put on a number of occasions to the responsible minister. I hold in my hand a copy of the roster to which ministers are supposed to adhere. The minister responsible for this particular question is not present tonight.

Some hon. Members: Order, order.

Mr. Deputy Speaker: Order, please. The hon. member claims he has a point of privilege. I will hear it. Maybe he can be allowed to state it.

Mr. MacInnis: I don't want to hear these interjections and the calls for order from the other side of the house. It is the responsibility of the Chair to keep them in their place. It may be I can wait them out.

Some hon. Members: Order, order.

Mr. MacInnis: The bums and idiots have been at it all the time.

Mr. Deputy Speaker: Order, please.

Mr. MacInnis: I still insist on finishing my question of privilege.

Mr. Deputy Speaker: I am prepared to hear the hon. member on a point of privilege. That is what I would like to hear.

Mr. MacInnis: The precedents have been established over the months in respect of this question. I realize when I put an oral question that no minister is compelled to answer, but they have been saying they will take it as notice and the answer will be provided. The miners who are being compulsorily retired in

Cape Breton are entitled to some consideration in this situation. The Minister of Labour or the Minister of Manpower and Immigration should be in a position to say something as to whether men should be compulsorily retired at the age of 60.

GRAIN

REQUEST FOR STATEMENT ON VOLUME DRIED

Mr. Les Benjamin (Regina-Lake Centre): May I direct a question to the Minister of Agriculture? Has he now completed comparing notes with the Minister of Industry, Trade and Commerce? Can he now give a more complete report to the house on the amount of grain that has been dried on farms, at country elevators and terminals and what estimated amounts remain to be dried?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, it will take me a minute and a half to give this information. It goes forward with the qualifications I gave previously. It is very difficult to get estimates on this kind of operation. We believe there are now approximately 3,468 dryers in the prairie provinces with a total drying capacity of 4,994,000 bushels per day.

Weather conditions during February were not conducive to drying. It is estimated there were approximately 60 million bushels dried on farms up to March 1. It is estimated also there could be as much as 193 million bushels remaining to be dried as of March 1. If 60 per cent of the capacity of these 3,468 grain dryers were used, we estimate it would probably take seven or eight weeks to clean up the balance of the damp grain on the farms.

We have more precise figures respecting the amount that has been dried in the terminals. I gave some of that information earlier today. I could add to that because it is reasonably precise.

Mr. Benjamin: I suggest the minister have leave of the house to table all of these figures so they will appear in *Hansard*. It would be easier for all of us.

Mr. A. C. Cadieu (Meadow Lake): As a supplementary question, Mr. Speeaker, during the visit of the Agricultural Committee to western Canada during the Easter recess, is it the minister's intention to sit in on a number of its meetings so that he could ascertain the real seriousness of the situation, especially following the announcement of the final wheat payment?

Mr. Olson: Mr. Speaker, the Minister of Agriculture is already aware of the seriousness of the situation.

Mr. Benjamin: As a further supplementary question may I ask the minister if the figures he just quoted include any estimate of grain dried at country elevators?

Mr. Olson: Mr. Speaker, the figure I gave was the amount dried at all positions other than terminals.

[*Translation*]

AIRPORTS

MONTREAL—AWARENESS OF C.B.C. RESPECTING DECISION

Mr. René Matte (Champlain): Mr. Speaker, I had a supplementary question a while ago, but the main question was put 25 minutes ago. I will nevertheless put my question now to the Secretary of State.

Was the C.B.C. aware of the decision taken by the cabinet last Thursday?

Hon. Gérard Pelletier (Secretary of State): I am unable to give this information, Mr. Speaker. I will have to inquire about that myself.

[*English*]

BROADCASTING

DIRECTIVE RESPECTING FOREIGN OWNERSHIP

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is directed to the Secretary of State and I suppose it is related to the question that has just been asked. In view of its importance to the broadcasting media, could the Secretary of State indicate whether it is his intention to make tapes available to the media of the statement with respect to the new directive controlling the foreign ownership of broadcasting facilities in Canada, or is he going to be content with the old fashioned type of press release that reached each hon. member today?

[*Translation*]

Hon. Gerard Pelletier (Secretary of State): Mr. Speaker, I think that the directives have been properly given. They had been announced for a very long time and I must admit I was abroad when they were given all that publicity.

However, should the hon. member for Brandon-Souris find the information lacking in precision, I could certainly let him have the text of the directives or even table it in the house.

Inquiries of the Ministry

[*English*]

Mr. Dinsdale: Mr. Speaker, I wish to direct a supplementary to the minister, and I can assure him that we have a copy of the directive on our desks. My question was designed to determine whether the information was going to be disseminated through the mass media, in as much as it concerns the mass media, which seems to be the new policy of the government. With respect to the supplementary does the minister intend to announce similar directives with respect to the control of foreign ownership of newspapers in Canada and, if so, when?

[*Translation*]

Mr. Pelletier: As far as the press is concerned, Mr. Speaker, the hon. member must know that the Secretary of State has no authority whatsoever over the press in Canada which, until now, I understand, has remained private property and does not fall within the jurisdiction of any government agency.

[*English*]

EXHIBITIONS

FLORIDA STATE FAIR—ABSENCE OF LITERATURE IN ENGLISH LANGUAGE

Mr. Lee Grills (Hastings): Mr. Speaker, I would like to address a question to the Acting Prime Minister or whoever is responsible for Canadian exhibits at state fairs in the United States of America. I have information here that at the Florida state fair held in Tampa this year there was no Canadian literature in the English language. I would like to know if this is the practice with all our state exhibits? Is this practical in Florida? Who is responsible for it?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I believe the Minister of Industry, Trade and Commerce would be the responsible minister and I would be glad to refer the hon. gentleman's question to him.

Mr. Deputy Speaker: Order. Possibly I might recgonize two more hon. members before calling orders of the day, the hon. member for Gander-Twillingate and the hon. member for Vancouver-Kingsway.

COMPANY OF YOUNG CANADIANS

ALLEGED PARTICIPATION IN DEMONSTRATION AT MCGILL

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I wish to direct a question to the Secretary of State. Could he say whether his department is investigating the alleged activities of the C.Y.C. and the weaponry allegedly used in the messy McGill flare up over the week end?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I have inquired from the Company of Young Canadians concerning the allegation that three members of the Company, who were participating in a project at Joliette, had been arrested in connection with the demonstrations that took place the other night.

The Company of Young Canadians headquarters here in Ottawa informed me as follows: of the three persons arrested and designated as volunteers of the Company in the newspapers, none of them have ever been members of the said Company or are members of it at the present time.

As regards the weapons found in a building in Joliette, I am informed that the Company of Young Canadians has an office in the said building and the remaining space is occupied by a union federation. The weapons were found under a staircase which in any case is outside the building, and not nearer the office of the Company of Young Canadians than that of the trade-union and in a place accessible to any passer-by.

Such is the information given me by the Company on the Joliette case.

[*English*]

HOUSING

VANCOUVER—REQUEST FOR ACTION ON URBAN RENEWAL PROJECTS

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I would like to direct a question to the Minister of Transport in his capacity as minister in charge of housing. It arises from an answer he gave me on March 25 when I asked him a question with respect to approval for one of the two urban renewal projects in Vancouver. At that time he told me:

> If it can be proven that going ahead with additional renewal projects at this time is the best use of the money available to provide better housing and better conditions for Canadian citizens, then of course it will be considered sympathetically.

I would like to know whether the minister has discussed with Vancouver what forms of proof are necessary to show that this project should be gone ahead with and, if so, with what results?

Hon. Paul Hellyer (Minister of Transport): Not specifically in those terms, Mr. Speaker, as I indicated this afternoon, I have now seen

two of the major outstanding renewal projects at Hamilton and Kitchener. It is my intention to visit seven or eight more before recommending to the government what policy we should follow in the immediate future in this respect.

I hope to do so very soon. It would be my intention to visit Vancouver and to take a look at that project on the ground again before reaching any conclusion. Last time I was out there I did visit part of a proposed urban renewal area. There was tremendous opposition then on the part of the people who live there. They did not wish to have their houses destroyed; they were proud of their houses and they felt that there were better solutions. I must say that I was inclined to agree with them. However, I would like to visit them again in the context of the present review, and then indicate to the municipalities concerned what we intend to do.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker—

Mr. Deputy Speaker: Order, please. Actually I should point out to hon. members that I allowed the questions of the hon. member for Gander-Twillingate and of the hon. member for Vancouver-Kingsway in addition to the regular question period time, and so I did not think we should pursue supplementaries at this point.

Mr. Alexander: On a point of order, Mr. Speaker, I would hope that after I have given you my reasons for this point of order you would perhaps allow me to pursue this matter with just one further supplementary question. I believe that the minister has just made a statement saying he intends to visit some seven, eight or nine more cities. In order that those who would be involved might have some preknowledge of his visits perhaps, Mr. Speaker, you would allow me to ask the minister if he would indicate to the house which cities he intends to visit?

Mr. Deputy Speaker: Order, please. If it is the disposition of the house to allow this question, certainly we can proceed with it. But again, I would point out that I have allowed the hon. member for Gander-Twillingate and the hon. member for Vancouver-Kingsway to go over the allotted time, and I note that the hon. member for Oxford also wants to ask a question. I am sure there are other hon. members who wish to ask questions. Possibly it is the disposition of the house to allow this one question to be put, but I would like to call orders of the day after that.

Mr. Hellyer: I am not sure I can recall them from memory but included in them would be Vancouver, Calgary, Sault Ste. Marie, Sarnia, Niagara Falls and two or three others.

NATIONAL DEFENCE

NATO—REQUEST FOR STATEMENT ON POLICY

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I rise on a point of order. It was announced on numerous occasions last week by the Prime Minister that today, Monday, there would be an announcement with regard to Canada's future position in respect of the North Atlantic Treaty Organization. We realize the reason the Prime Minister, the Leader of the Opposition and some other hon. members are absent today; it is a very sad occasion in the capital of our neighbouring country. In view of the fact that the Prime Minister is not here to make the announcement which had been indicated would be made today, and so that we might hear about it before the house adjourns, perhaps Your Honour would use his good offices to find out whether or not the Secretary of State for External Affairs is in a position to make the announcement.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the answer is no.

Mr. Deputy Speaker: I was about to suggest the statement was more in the way of a representation than a point of order.

GOVERNMENT ORDERS

CANADIAN OVERSEAS TELECOMMUNICATION CORPORATION ACT

AMENDMENTS RESPECTING DEFINITIONS LIMITATIONS OF POWERS, ETC.—REPORT STAGE

Hon. Eric W. Kierans (Postmaster General): I move:

That Bill S-5, to amend the Canadian Overseas Telecommunication Corporation Act, as reported (without amendment), from the Standing Committee on Broadcasting, Films and Assistance to the Arts, be concurred in.

Motion (for concurrence) agreed to.

Mr. Deputy Speaker: When shall the said bill be read the third time?

Some hon. Members: Now.

Mr. Kierans moved that the bill be read a third time and passed.

Co-operative Credit Association Act

Mr. Mac T. McCutcheon (Lambton-Kent): Mr. Speaker, I can assure the members of the house that I do not intend to delay the passage of this bill. I should like to comment, in passing, that the affairs of the C.O.T.C. have been thoroughly examined both in a committee of this house and of the other place. This is one of the few agencies of government which consistently turns in a profit. It is one of the few organizations which apparently has the taxpayer in mind, and certainly should be commended on its operations.

[*Translation*]

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I do not intend to slow down the debate; however, I would like to add a few words to what my hon. friend has just said.

As I was on the committee which had an opportunity to hear the officials of that Crown corporation, I might say that not only has the corporation shown a deficit since its inception but this year it gave back to the government $5 million it had requested for capital investment. It will manage the proposed investment without the help of the government; that, in my opinion, shows good management that could be taken as a model by all other crown corporations.

[*English*]

Motion agreed to, bill read the third time and passed.

CO-OPERATIVE CREDIT ASSOCIATIONS ACT

PERMISSION FOR SOCIETY TO BECOME FEDERALLY INCORPORATED—REPORT STAGE

Hon. H. A. Olson (for the Minister of Finance): I move:

That Bill S-28, to amend the Co-operative Credit Associations Act, as reported (with an amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion (for concurrence) agreed to.

Mr. Olson moved that the bill be read a third time and passed.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have a very brief intervention at this stage to draw to the attention of hon. members the proceedings of the Committee on Finance, Trade and Economic Affairs. Particularly if one examines the testimony of Mr. Humphrys, the Superintendent of Insurance, as it appears at page 1712 of Minutes of Proceedings and Evidence No. 33, one will see the purpose of this bill. It is very simple and

[Mr. Kierans.]

I shall not repeat what Mr. Humphrys, in a matter of a column or so, put very succinctly before the committee. He set forth the strata in respect of the application of this act. It does not apply to individual credit unions of provincial origin. It applies to the Canadian Co-operative Credit Society, as well as a number of provincial centrals. Mr. Humphrys pointed out that this is purely a matter of housekeeping. It simplifies the procedure for future adherents so that it will not be necessary to come back to parliament every time a central or other appropriate credit union body wishes to come under the Act.

At the time of the hearings, I was particularly concerned about the nature of investments that could be made by the centrals and by the Canadian Co-operative Credit Society since they do act almost as reserve banks, if one could use the simile of reserve banks in respect of credit unions. However, I have been advised by Mr. Humphrys that this is very well covered by the examination he makes of their portfolios, so I think we are all satisfied for the time being at least that these organizations are in good hands. I would commend this bill and hope that we could get on with the passage of it, subject to any observations which any hon. member might make.

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

Motion agreed to, bill read the third time and passed.

NATIONAL LIBRARY ACT

MEASURE RESPECTING ADMINISTRATION, POWERS OF LIBRARIAN, ETC.—REPORT STAGE

Hon. Gerard Pelletier (Secretary of State): I move:

That Bill C-11, respecting the National Library, as reported (with amendments) from the Standing Committee on Broadcasting, Films and Assistance to the Arts be concurred in.

Motion (for concurrence) agreed to.

Mr. Pelletier moved that the bill be read a third time and passed.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I had hoped to move an amendment in respect of this particular bill but unfortunately, business has been moving so rapidly in recent days due to the fine co-operation from the members of the opposition that I have not had an opportunity under the new rules to move such an amendment. Therefore, the remarks I would have made on the

amendment I will now make at the third reading stage. I suppose this is the penalty for having been so long in the house that we have become accustomed to the days when ordinary members of parliament really had some fundamental say in what went on with regard to the day to day business of parliament.

• (8:50 p.m.)

We have unfortunately arrived at a stage in the evolution of parliament at which the position of the private member is being downgraded and the position of the executive in our governmental system is being enhanced to a degree which I feel is not in the best interest of democracy in this country. It is on this point that I wish to speak briefly. Those Members of Parliament who are privileged to be on the committee on Films, Broadcasting and the Arts will know that the question I intend to discuss tonight was discussed in some length in that committee. However, I make no apology for repeating matters tonight because unfortunately our committee system is so bogged down in a mass of de- in terms of giving private members an opportunity to participate adequately in the ongoing process of parliament. The committee system is so bogged down in a mass of details, members are so hard-pressed to spread themselves over the multiplicity of committees, that it is almost impossible to come to grips with the real issues of legislation as it passes through the legislative mill.

I could use this as an occasion on which to make some sort of plea to the government, to the executive arm of parliament, to give the committee system some badly needed assistance. If we want it to function successfully we must provide increased research assistance, a greater opportunity to deal with legislative matters in depth. We must take up the slack which has occurred because of the short-circuiting of what used to be known as the committee of the whole in the House of Commons. There was a time when in order to maintain a close control of the executive one could, on the spur of the moment, arising from an issue which emerged in the course of discussion, bring in an amendment. Nowadays, unfortunately, we do not have such an opportunity.

The particular bill before the house is of some significance in the field of communications in Canada to the extent that it deals with the formal establishment of a national library service. The first bill of this sort was enacted in 1952 and of coure, we were faced at that time with a situation in which we had an act of parliament but no library other than the Parliamentary Library and the services it provided. The bill now before the house is related to the new facilities which have become available to house the national library and the archives, a project which got under way in 1962.

As I compare the old act with the bill now before the house, I contend that the emphasis placed on the function of the minister with respect to the administration of the National Library is considerably greater in the new legislation than in the old. We are all aware that to ensure a healthy democracy adequate communication facilities are essential. They carry the main burden of providing the cement which holds the nation together. Communications facilities provide the educational, cultural and information services which are necessary to an adequate dialogue within the nation with respect to urgent issues of national importance, particularly national unity. We maintain a Post Office Department—

Mr. Knowles (Winnipeg North Centre): Oh?

Mr. Dinsdale: —operated directly by the Government of Canada as one of the basic ingredients of this process of communication. It has often been suggested that the Post Office should be separated from government and I think the present Postmaster General is one of the leading exponents of this view as he tries to downgrade, or upgrade, depending on one's viewpoint, the postal service in connection with the changes which have recently taken place.

The government has also become deeply involved in the provision of communications services through the mass media of broadcasting. The Parliament of Canada authorizes substantial sums annually to make it possible for a Crown agency, the C.B.C., reporting to this house through the Secretary of State (Mr. Pelletier) to carry on an adequate system of electronic communication. In all other information operations having to do with the sensitive subject of educational and cultural services the Government of Canada has always done its utmost to create at least the fiction, or the impression, that these facilities as they are operated at federal level are in no way directly connected with the government itself. The C.B.C., for example, is operated by a Crown agency. The National Museums, which are closely related to the kind of services provided by the National Library, have, in accordance with a recent amendment to the

National Museums Act, set up a board of trustees, and as I understand it from the interpretation of the Secretary of State himself, this board is free from the direct control of the responsible minister.

I have been pursuing in this house questions with respect to the commissionaire service provided by the National Museums of Canada with particular reference to bilingualism, and the Secretary of State has always taken the attitude that this is the responsibility of the board of trustees. In other words, governments have hesitated to become directly involved in the supervision of, and in the direct control of, communications services which relate to educational and cultural matters.

This house will shortly be debating the establishment of an educational television agency. As I read the approach taken in that legislation the same principle is to be carried out, on the premise that E.T.V. will be providing services in this sensitive area of education and culture.

• (9:00 p.m.)

I now come to the point that I have made in committee. I believe I also made it during the first reading stage when the bill was originally introduced. This is the part of the legislation which I find objectionable in principle. The Canadian Library Association, in its representations on the matter has also hinted broadly that it shares the same suspicions, namely, that the government, through the Secretary of State (Mr. Pelletier), is becoming much too deeply involved in the every day activities of our national library service.

The original brief presented to the government by the Canadian Library Association and its French speaking equivalent recommended that the National Library be operated as a crown corporation, in order to get around this difficulty. They expanded on this thought by indicating that they wanted the National Library to be a truly national service and not the errand-boy for any particular arm of government.

The government has obviously, as we view the bill, not accepted the recommendations of the Canadian Library Association in this respect. We had some discussion in committee on this point and the Secretary of State indicated that the Canadian Library Association had after some persuasion changed its mind in this respect. However, in my continuing discussions with some of the leaders of the library association movement in Canada I find that the same idea still persists, namely, that the National Library is violating this fundamental principle which I have outlined briefly, and which applies to all other areas of government participation in cultural education, by making the Secretary of State directly responsible.

Had there been the opportunity to move an amendment, I would have submitted an amendment which would have called for the deletion of clause 4 of the bill. While this would not deal with the problem in its entirety, it would at least go some way to satisfying members of the opposition, as well as all private members of this house who are concerned with the diminishing role and influence of the backbench member of parliament with regard to government bills. Clause 4 reads as follows:

> The minister shall preside over and has the supervision of the management and direction of the library.

The key words there are "preside over", "supervision of" and "management and direction" of the library. This feature of the new bill is entirely absent from the original National Library bill. We inquired of the law officers of the crown why the offending principle was stated in such explicit terms, because this clause stands by itself. There are no subclauses; it is just a bold and blunt statement under the heading "Administration of Library." It places the Secretary of State in the pre-eminent role in the administration of the affairs of our new National Library. The law officers of the crown explained that this is the new technique, the new way of making legislation tidier and the terminology of bills a little more explicit.

There was a further explanation, that it is a natural evolutionary process. If one were to read some of the further clauses of the bill, the explicit powers of the minister as outlined in clause 4 are implied in the clauses immediately subsequent thereto. For example, clause 5 (1) provides:

> The Governor in Council may appoint an officer to be called the National Librarian.

The subsequent subclauses outline the duties, functions and responsibilities of the National Librarian. This is the form these provisions took in the original act. Perhaps one of the reasons the government has fallen into the error of the violation of the principle of maintaining at least the fiction that it has nothing to do with communication matters is

that our parliamentary library has been operating for a number of years in a double capacity. It has been serving not only the members of parliament, but as Canada's national library, the only national library that was available.

It is understandable that with reference to the functions of the parliamentary library, the government would have some close administrative control and responsibility as, of course, would members of this house. We have had a parliamentary committee responsible for the administration of the affairs of the parliamentary library. But we are now moving into a stage of library service and development which completely divorces the functioning of our National Library from the functioning of the parliamentary library. I think this is where the government has fallen into error; it has failed to appreciate that we are now in a new phase of library development in Canada. The National Library has powers and responsibilities, educational and informational functions that are far greater than those ever performed by its predecessor, the parliamentary library.

Perhaps for the sake of the argument I am putting forward I could quote from a book entitled "National Libraries", which is compiled of extracts from the proceedings of the University and Research Section Conference held at Bangor in April, 1963. This was a meeting of representatives of national libraries from most of the democratic countries of the world. On page 11, this book gives details of the functions that are regarded as those that should be carried out by national libraries in democratic countries.

● (9:10 p.m.)

They are as follows:

1. Collecting national literature.
2. Collecting foreign literature.
3. Serving as a book museum.
4. Giving the public access to the collections.
5. Carrying out information service and bibliographical activity.
6. Functioning as a training centre.
7. Participating in national library planning.

I think that list indicates that the functions of a national library are quite intimately concerned with the everyday on-going process of cultural and educational dissemination. Indeed, I would say that a national library service is one of the most effective forces in a grass roots educational program.

While we expend more money on the electronic media as compared with the funds that are available for the national library service, I think it is still agreed by scholars that in the long run the printed word is the essence of the educational system in any country and that libraries are the storehouse of knowledge. It is upon the libraries that we must depend for the on-going process of cultural and educational development. On the basis of the seventh function of a national library service as outlined at the conference held at Bangor, which is the participation in national library planning, the National Library will be co-ordinating with the provincial libraries. They, in turn, will be co-ordinating with the libraries at the level of local communities. It is for this reason that I think clause 4 is completely out of context, as well as on the basis of Canada's past experience in dealing with the dissemination of cultural information through the medium of libraries. It is certainly out of context with the emphasis that is placed by the government in its proposed legislation to establish an educational television agency.

I do not think I need to say anything further to establish the point, and there is no action I can take to test the sense of the house on this matter. However, I thought it was incumbent on me to point out that we are trespassing into an area that has serious implications for all communications media. The feeling is shared by those who are most intimately concerned with provisional library services of the Canadian Library Association and its French speaking equivalent. There was a move in the committee to have more direct representation from the Canadian Library Association on the advisory council that is provided for in the act. Unfortunately, this was negated by the committee, so that even this attempt by librarians to become more closely involved in the functions and services of the library have not been made possible under the act.

One of the arguments that is frequently used in cases of this kind is that under the present government, and under the present minister, there will be no abuse of the extraordinary privileges that are granted under clause 4. Of course, that is not the way we look at the process of legislation in a democratic parliament. The government can certainly lean over backwards to avoid even the semblance of trespassing into one of the most sensitive areas of public policy, and I am sure that as the days and years go by and this house is faced with the consideration of its approach to other means of communication sponsored by the government in Canada, we

will have occasion to regret the step we are taking at this time.

As a final word, let me just repeat what this bill calls for. Even though the Secretary of State (Mr. Pelletier) may never use these powers to downgrade the national interest or to exert any particular pressure that a government in power can exert when it has direct control and access to communication media, you will agree that this is hardly in keeping with the principle that has always been followed in Canada. Clause 4 reads:

> The Minister shall preside over and has the supervision of the management and direction of the Library.

I would have been much more content if the general terms that already exist in the act of 1952 had been carried forward, and if we had allowed the national librarian appointed by the Governor in Council to have reasonable freedom of action in administering the library, subject of course to reporting to parliament through the Secretary of State, as is the arrangement with the C.B.C. and as no doubt will be the arrangement with E.T.V.

I think that it would have been a much better solution to the problem if the advisory council had been given greater powers, as is the board of trustees of the National Museum. The mistake has been made; it is the government's mistake, and they will have to live with it.

[*Translation*]

Mr. Pelletier: Mr. Speaker, I would not want to extend the debate on this bill but as for the comments of the hon. member for Brandon-Souris (Mr. Dinsdale)—

[*English*]

Mr. Deputy Speaker: Order, please. May I just remind hon. members that the Secretary of State moved third reading, and therefore has no right to reply except by leave of the house.

Some hon. Members: By leave.

[*Translation*]

Mr. Pelletier: Thank you, Mr. Speaker. In any case, I wish to make only brief comments on some things said by the hon. member for Brandon-Souris.

I shall first say that I am amazed at the complaints which he formulated about the structure of the committees which, according to him, act like a kind of gag on hon. members and prevent them from introducing amendments. This statement bears no relation to reality. The truth is just the opposite. Indeed, hon. members now have the opportunity, every time a bill is studied in committee, to present amendments. Besides, four amendments which were introduced and accepted by the committee are written into the legislation that we are discussing tonight, and the hon. member for Brandon-Souris himself presented an amendment which was defeated by the majority of the members of the committee. But hon. members have a second opportunity to propose amendments to the house at this stage of the proceedings.

• (9:20 p.m.)

I must even tell him that I was quite amazed, because of his opposition to section 4 of the act, that he did not put any notice of amendment on the order paper because he could have done so. In fact, he could have proposed an amendment tonight, provided of course he had respected the very simple rule under which he had to give a 24-hour notice.

The main argument of the hon. member for Brandon-Souris is to the effect that the National Library should be a crown corporation. It is true that this body will have to become part more and more of a certain communication network. However, I would like to indicate to the hon. member that a library does not express an opinion, does not put any product on the market, but provides services.

As for me, I believe that barring an extremely serious reason, as for instance respect of the freedom of speech—which is the case in the broadcasting field—we must not take any field of activity away from the minister's responsibility. In a system such as ours, it is a duty for us to take such responsibilities.

The hon. member for Brandon-Souris states that clause 4 gives extraordinary powers to the minister, but I should like nevertheless to point out to him that it does not say that the minister shall administer the Library but rather, and I quote:

> The minister shall preside over ... the management and direction of the Library—

That already provides some leeway and gives the National Librarian a much greater importance than if the law spoke of direct management by the minister.

The hon. member referred to the recommendation made by the Canadian Library Association in a brief presented to the National Librarian and to the Secretary of State, in which it suggested that the National Library should become a crown corporation. But following open and friendly discussions, the Canadian Library Association fell in with the reasons we explained, so much so that when it appeared a few weeks later before the committee, it did not bring up that suggestion again. Therefore, when the hon. member for Brandon-Souris says that the Association made a vague reference to it, I must tell him that it was so vague that I could not even find a trace of it in the minutes of proceedings and evidence of the committee.

I am also surprised to hear the hon. member say that the government may have erred in wanting to control the National Library, in the field of communications, because it already controls the Library of Parliament. The point of the matter is that the government does not control the Library of Parliament which is not a governmental but a parliamentary institution answerable to the Speakers of both houses who are advised by a joint committee of both houses.

I should like to say one word only about the library associations that are not represented on the advisory board of the Library. This amendment was rejected and the provision dealing with the appointment of representatives of those two associations was not incorporated in the act for a very simple reason. First of all, they are not institutions incorporated by an act of the parliament of Canada and secondly, they are professional associations to which anything can happen. For instance, they can amalgamate or split up. They could even—which would be unfortunate—disappear as other professional associations have in the past, and then the act would contain a section that could no longer be applied.

Mr. Speaker, those are the few remarks I wished to make with regard to this bill. To my mind, it meets efficiently the pressing need to modernize the National Library and turn it into an even more efficient instrument than it has been until now.

[*English*]

Motion agreed to, bill read the third time and passed.

Farm Machinery Syndicates Credit Act

FARM MACHINERY SYNDICATES CREDIT ACT

AMENDMENTS TO BROADEN PURPOSES OF LOANS, ENABLE CO-OPERATIVE ASSOCIATIONS TO OBTAIN LOANS, ETC.

The house resumed, from Friday, March 7, consideration of the motion of Mr. Olson for third reading of Bill C-112, to amend the Farm Machinery Syndicates Credit Act.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, my comments on this bill will not be long, in the hope that well before ten o'clock we might have given the bill and the amendments contained therein, the thorough examination they deserve. If we pass this bill we will have disposed of the measures that we feel should be dealt with by the house before we recess.

I have three comments to make in connection with this bill, which contains the amendments introduced in connection with the provision of credit assistance to Indian bands, amendments which had to be introduced because the recommendation of His Excellency was required. This is now the subject of this bill.

On the merits, I will limit myself to saying that I concur completely with what was said by the hon. member for Crowfoot (Mr. Horner) at the time we were previously debating the issue. He made some very pertinent and relevant observations with regard to this matter, and I think was quite justified in so doing.

The house should be aware that the general effect of the amendments introduced in connection with the Farm Credit Act will be to establish really two classes of citizens, the Indian people and those who are non-Indian. The basis on which the Indian people will benefit from this legislation, as in the case of the farm credit bill, certainly places them in a far less advantageous position, and at a time when we in this house have been patiently waiting for the government to bring down the amendments to the Indian Act as well as the Indian claims commission legislation.

I would have thought that the paternalistic attitude that is certainly implicit in these amendments was one that the government would have been most hesitant about embracing. What we find here is the provision that Indian bands and Indian people may only with the blessing, sanction and approval of the minister who is responsible for answering

to this house for Indian affairs, enter into the agreements described in the bill.

It is not as if this were something new. In the course of another debate today I had occasion to put on the record a recommendation that was made by a joint committee seven and a half years ago. The members of that committee, having sat for a year and a half and most carefully observed the evidence given by the 99 witnesses, I believe it was, who appeared, saw fit to make recommendations, including the provision that the Indian people should be placed in precisely the same position, in so far as land holdings would permit, as other people.

One of the difficulties in the attempts of the Indian people to forge for themselves an opportunity to have the same way of life as other people was that they faced the obstacle of not being able to obtain credit. On Indian reserves, as is well known, there is no fee simple ownership; there is a certificate of occupation only. Of course, they are not able to pledge land. After hearing evidence and studying the matter, the committee specifically recommended that provision be made for legislative changes in order to remove the barriers which now inhibit the Indian people in their attempts to receive credit so that they may farm and engage in agricultural activities along with non-Indian people. That should have been done within two years. Legislative proposals were introduced, but there was an election and the government changed hands. The matter has been marking time ever since.

• (9:30 p.m.)

We are hopefully awaiting changes in the Indian Act which will remove this and many other impediments. While I welcome any legislation which will permit the Indian people to receive some measure of credit, I am sorry to see it in this form. The Indian people have been waiting for a bill of rights. This has been the subject of discussion for some months.

I hope the legislation of the type embraced in the four corners of this amendment and which appears in the amendments to the Farm Credit Act will put the Indian people in precisely the same position as other people.

I deplore the paternalistic attitude found in this amendment. It states that only when the minister responsible for the Indian people under the provisions of the Indian Act permits will this credit be allowed. There must be agreements or arrangements between the corporation and the minister.

I find some of the details are repugnant. My next objection is that it requires authorization by the governor in council. During the course of this session, members of this party repeatedly intimated to government ministers that we are most dissatisfied with the extent to which this government is seeking more power and encroaching on the rights of individuals. I had occasion to say something about that this afternoon.

This phenomena probably accounts to some extent for the acts of student violence and protest seen all over this country. As governments seek more power and make individuals conform to the viewpoints of government expressed through orders in council, there is a rising tide of resentment. I call attention to the fact, Mr. Speaker, that it is only when the governor in council sees fit to enact regulations for the kind of agreements contemplated that any benefits, meagre as they are, flow to the Indian people. This is simply not good enough.

I hope before this debate concludes the minister will indicate that the government intends to introduce the legislation which has been requested. We do not want to see programs and policies which place Indian people under inhibitions of having to depend on what the minister will work out by way of agreement with the corporation, making them wait until the governor in council sees fit to work out agreements. This should become a thing of the past. It is this colonialism and paternalism which marred the record of this country in its dealings with the Indian people.

I urge the minister to move rapidly when the occasion arises. Obviously, the government will not bring down this legislation before the Easter recess, but we on this side will insist that it be introduced before the end of this session. When that happens, the government will see the measure introduced into the Farm Credit Corporation Act. The companion measure in the Farm Credit Coporation Act will be replaced by something acceptable to the Indian people which will give them the opportunity of being in the same position as a non-Indian. They will have available to them credit facilities to engage in the agricultural industry. They will be able to take their place with the other farmers of Canada.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I think the amendment to the motion makes a start at attempting to do

something for people in an area where nothing has been done previously. How well it will be done will depend on the people who administer it, and the people who receive it. Advancing credit to Indians as individuals and groups through the Farm Syndicates Act can be done well or badly.

Of all the various credit acts, the Farm Syndicate Credits Act will fit the need of the reserves best. These people are in the habit of working together to a greater extent than other farmers. At the hearings of the standing committee, I requested that the officials of the Indian Affairs branch appear before the committee. They did so for a full session, answering questions and giving information as to how they thought this credit should be used and the circumstances under which it would be used.

According to the information supplied this is quite an undertaking. They stated that there were about 2 million acres of potential arable acreage on the Indian reserves, which would cost approximately $202 million to develop. They states $80 million could come from farm credit corporations, $40 million from ARDA and grants to the extent of something like $82 million.

• (9:40 p.m.)

When these representatives, Mr. Churchman and Mr. Bergevin, talked to us it seemed to me that they expressed a real wish and desire to move in this direction and make the program work. If I were to express any misgivings, they would be that in the initial stages of preparation for this legislation there had not been enough consultation with the people on the reserves who were going to use it. Our reports indicate that there was a fair amount of consultation between the credit corporation and the Department of Indian Affairs. There was some understanding of the problem and how it might be solved. There had been discussions on the amount of supervision required, and the type of personnel available for setting up this program on the reserves. I would judge that there is a fair understanding by the departments concerned of how they will tackle the problem.

My information is that out of a total male Indian population of 15,548 in the province of Saskatchewan only 407 make their living from farming. To anyone who lives in that province and knows the amount of land occupied by Indians, this indicates that so far as farming is concerned we have barely scratched the surface. From my own limited personal observation I believe the potential for development is there. Having visited reserves, I know there are a number of people who are trying to get going and who have the will to move forward. Under these amendments, if there is co-operation between the two departments concerned, without too much bureaucracy, we may achieve a breakthrough so far as the Canadian government and the Indian people are concerned.

When people on reserves start using credit, essentially they are in the same position as any other Canadian farmers using credit. Their operation must be a viable one. The relationship between their prices and costs has to be such that the operation will pay its way, that a living can be made, that the interest can be paid and the capital retired. This is the area we need to be most concerned about, because with farming in its present state the margin of return and income is so low that if large amounts of capital are injected the operation simply will not carry the load.

With the agricultural task force proposing that 30 per cent of our land be taken out of wheat production, it is a pretty tough outlook for those who are going to borrow money to get into farming. This is the situation with which we are faced, but I do not take as grim a view of it as the James Richardson and Sons newsletter of March 27 which said:

> A meeting of the major exporting countries will be held in Washington early next month to consider recent developments and discuss possible revisions in the agreement—

That is the International Grains Agreement.

> —which, in our opinion, is as dead as yesterday's newspaper, but hope springs eternal and we would be the first to applaud any constructive suggestions.

I do not think we as Canadians should accept that the I.G.A. is as dead as yesterday's newspaper. We have every right to expect that those who co-signed it along with us give it the full support it deserves. We have every right to expect that the United States government, which was the nation in particular that wanted us to enter into the GATT negotiations, would give full support to the I.G.A. But these are the circumstances under which we are operating. These are the circumstances under which the Farm Credit Corporation will be lending funds through the Farm Syndicates Act and other statutes.

We are faced with a possible switch in agricultural production, and in this area we need to be particularly attentive with respect to the Farm Syndicates Act. We should be

more selective in the way that we make these moneys available. We should try to assess the market that is available for the areas in which we provide funds for farm production. It is time that we looked at the matter from this aspect. Up to now our basis of selection has largely been based on the individual farmer or on groups of individuals who had sufficient assets to give security. That was the main criterion, but I think we will have to use other criteria in the immediate future.

Another point which the task force made was that we should co-ordinate the various instruments of credit available under the government loaning agencies. Another suggestion was that we should disseminate our method of providing farm loans, that we should distribute it out among the provinces, instead of operating it through a central loaning agency on the federal level. This suggestion certainly does not recommend itself to me. I do not know how well it would work. This is one facet of its recommendations which the task force should be asked to explain in clearer terms. When the report comes in I hope this will be spelled out in a manner which can be accepted by reasonable and rational men.

Finally, I would hope that the government would give careful consideration to providing lower interest rates in areas where it thinks that expansion in farming can safely take place. In other words, the government should be more selective. I think this would be a useful approach, but whether consideration will be given to it or not remains to be seen. It does seem a tragedy that at the very moment when most of our farmers are in a very weak position in respect of their operations, they are faced with higher interest rates. If the forecasts of the task force are anywhere near correct, this is a time when many farmers will have to make a shift in production and borrow funds in order to make that shift. Therefore, it would not seem desirable that the interest rates should increase at this time. These circumstances would certainly deter farmers from making a shift rather than encourage them because higher interest rates would simply add to the costs of their operation. Of course, in these areas we must be careful. With all due respect to the task force, I think it is really a brave group of men who can forecast wheat production and markets over the next ten years. I have seen pretty able people attempt to do this in the past; they were wrong as often as they were right.

[Mr. Gleave.]

• (9:50 p.m.)

I think we must take notice of the circumstances. I believe our credit program should be aimed at the circumstances as we see them now, and as we may be able to see them for four or five years hence, but certainly not for a ten year period. I think our crash program for this period should be tailored in that direction. For that reason, I say one thing we need is lower interest rates in certain areas to enable people to make adjustments which may need to be made. I think this is one of the important things we should do. I disagree altogether with the task force, if I read the report correctly. I would say that our main credit instrument should be in the federal field and not the provincial.

Mr. Rod Thomson (Battleford-Kindersley): I see there are about five minutes remaining, Mr. Speaker. I have just a few comments I wish to make. First, I am not sure whether the terminology in this amendment in respect of the Indians is clear or whether I am just becoming better able to understand it. However, it does seem to me to be better than the one contained in the Farm Improvement Loans Act.

I am still rather concerned about the practical applications of the amendments as it affects Indians on reserves. I believe that anyone who seeks to borrow money under the Farm Machinery Syndicates Credit Act should have a sophisticated knowledge of farming operations. From the information I have there would not seem to be too many Indians who would have this type of knowledge. I know some of them would like to enlarge their farming operations or move out in a different direction. They need help and encouragement.

I should like to commend the minister for including this in the act, but I suggest that help is needed in other forms so that the Indians will be in a position to use this particular line of credit. Until they are in a more viable position they will not in many cases be able to take advantage of this particular act. The farm credit people in the minister's department should give more leadership and guidance in this area. I am not too impressed that the Indian Affairs Branch is giving proper leadership in this regard. Quite frankly, I think what has been accomplished in this regard is pretty awful. I would hope the Minister of Agriculture (Mr. Olson) and his officials would be more active in this field in an effort to see that these people learn how to make proper use of credit. I would suggest to

him that if there is any failure it will reflect on the agricultural department and, in this case, on the minister. I should not like to see this happen, because it may not be completely his fault. There are two departments involved in this. Frequently, this brings about an awkward situation.

I would suggest that the farm credit field under the Department of Agriculture in latter years has been fairly successful. I should like to see this continue. I hope the minister will consider some of these things because I believe it is important that these people make proper use of credit. This would help the economy in general and help these people in particular. I have not quite used up my five minutes so perhaps the minister might wish to reply.

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

Motion agreed to, bill read the third time and passed.

Mr. Knowles (Winnipeg North Centre): Ten o'clock.

Mr. Deputy Speaker: May I call it ten o'clock?

Some hon. Members: Ten o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

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

GRAIN—ALLOCATION OF BOX CARS—DISCRIMINATION AGAINST WHEAT POOLS

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, on March 25 I asked the Minister of Industry, Trade and Commerce (Mr. Pepin) a question concerning the allocations of box cars. At that time I alleged discrimination against the Saskatchewan wheat pool in respect of the allocation of box cars and pointed out that so far this year there had been some 5,000 fewer cars loaded than in the same period last year. On several occasions in the past fall and winter we were assured by one or other of the ministers of the Crown that the railways are co-operating and are doing really well in respect of the supplying of cars for grain.

For the information of the house I have the record in respect of cars of wheat and other grains loaded in western Canada for a few periods which I have picked at random. I have gone back to August 7. To August 7 from the beginning of last year, 61,507 fewer cars of wheat and other grains on western lines were loaded than the previous year. On December 31 it became worse. We had loaded 71,221 fewer cars of wheat and other grains on western lines. In the new year, by January 31 and in that one month, we had loaded 8,588 fewer cars of wheat and other grain than in the same month the previous year. From then on it started to improve slightly. As at February 21, there were 7,900 fewer cars and at February 28, there were 6,800 fewer cars. There were still 4,400 fewer cars by March 7, and 2,000 fewer cars of wheat and other grains were loaded as at March 14 this year compared to the same period last year.

As of today there are 915 cars of grain in transit destined for the lakehead which are being shipped to the Saskatchewan wheat pool. This is slightly less than 2 million bushels. As of today, there is space for over 5 million bushels in the Saskatchewan wheat pool terminals at the lakehead. In other words, the Saskatchewan wheat pool requires 2,000 cars now to fill the space at the lakehead terminals and to provide enough cars in transit over the next three weeks to ensure that the terminal space will be used to capacity when ships start loading at the lakehead which will be within the next few days. In recent days or weeks the Canadian Wheat Board has placed restrictions on car loadings at the lakehead. I submit, Mr. Speaker, that the Wheat Board should be asked to lift the restrictions immediately as they apply to the Saskatchewan Wheat Pool. The facts are that except for one or two very small terminals all the other terminals are full. But the Saskatchewan Wheat Pool terminals are not. Yet restrictions on car loadings have been applied to them. In other years when the Saskatchewan pool terminals were full and terminals of line or private elevator companies were not full, restrictions were applied to the Wheat Pool only and not to the line company terminals.

• (10:00 p.m.)

The Saskatchewan Wheat Pool normally gets between 54 per cent and 55 per cent of the market. At the moment the figure stands at 52 per cent. In the past winter, it has fallen as low as 48 per cent. It seems strange to me that this drop of 2 per cent of the share

of the market by the Saskatchewan Wheat Pool should be equivalent to about 2,000 boxcars which is the number now needed to fill the space they have at the Lakehead and to provide sufficient loads in transit to make full use of shipping space.

There has been a principle for which western farmers have been fighting since 1950, and that is the principle of the allocation of boxcars to the elevator of the farmers' choice. In the application of the shipping orders this past winter, this principle has been overlooked. Open shipping Order No. 100 for the loading of tough and damp grain was implemented in such a manner as to discriminate against this principle. Cars supplied for this shipping order were supplied evenly, so that an elevator at a shipping point which normally enjoys 10 per cent of the market would receive as many cars as one which normally held 50 per cent of the market. This, in effect, prevented farmers from using elevators of their choice; they had to haul grain to elevators which they did not wish to use, and the net result was to prevent the Saskatchewan Wheat Pool from maintaining its normal share of the market. I ask the minister and the government to take action immediately to see to the lifting of restrictions on cars for the Lakehead as they apply to the Saskatchewan Wheat Pool; that an additional 2,000 boxcars be made available to the Saskatchewan Wheat Pool country elevators immediately, and that from here on the application of shipping order be made in such a way that cars are allocated to country elevators in accordance with the normal share of the market of each company and so as to implement the principle of the allotment of cars to the elevators of the farmer's choice.

Hon. Otto E. Lang (Minister without Portfolio): I should like once again to assure the hon. member that the suggested criticism of the railway companies is misplaced. We have been in touch with the Wheat Board again with regard to this specific matter, as we have with regard to many others. Once again, the Wheat Board itself says that no criticism of the railways with respect to the Lakehead movement is justified. The railways are making a special effort to spot cars in the Saskatchewan Wheat Pool Lakehead terminals in relation to the ability of elevators to unload those cars.

Stocks at the Lakehead have now reached 71 million bushels and we are informed there are sufficient cars on track and in transit to fill the Lakehead terminals by the opening of navigation. As the terminals fill, the rate at which unloading can occur is reduced due to the extra time required to top up bins containing the various grades of wheat. In view of the extraordinarily serious situation which occurred in the movement of wheat this year and considering the condition of the grain and other factors, it is not surprising that dislocation occurred from time to time.

I was interested in the hon. member's figures with regard to the allocation of cars, and the figures he quoted with regard to their allocation to the Wheat Pool in particular. I notice he suggested that at one time during the winter the proportion had fallen as low as 48 per cent compared with last year's 54 per cent. I also noted his indication that at this time the figure has risen to 52 per cent, indicating a fairly significant improvement, and one which I think he should have mentioned as indicating an adjustment as circumstances permitted.

It is rather interesting to observe that as time goes on the problems about which hon. members opposite choose to rail become less and less serious, and their railing becomes less loud. I think the Canadian Wheat Board has done an admirable job in the circumstances of winter in getting grain into position and seeing that grain moves in a fashion appropriate to the demand. I repeat that the Canadian Wheat Board thinks criticism of the railways is not justified.

INDUSTRY—INQUIRY AS TO CONCENTRATION OF OWNERSHIP AND CONTROL

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question on March 27 arose from a report prepared by the Dominion Bureau of Statistics as a result of the terms of the Corporations and Labour Unions Returns Act, which requires reporting by labour unions and corporations with regard to their financial status. This very large and detailed report indicates a rapid growth of corporate concentration in this country. It shows, for example—I have been able to make only a very cursory study in the short period since I raised my question—that K. C. Irving Ltd. interests in New Brunswick include oil and oil refining companies; they own Canada Veneeers Ltd.; they own an important interest in Brunswick Mining and Smelting Corporation; they own almost completely the New Brunswick Railway Company; they hold a very important share of Ocean Finance Limited; Ocean Steel

and Construction Limited and a number of pulp and paper companies.

An article appeared in, I think the Toronto *Telegram*, the other day written by a columnist not unknown to members of this house, Dalton Camp. He was discussing a resolution adopted in the other place and proposed by a former national organizer of the Liberal party, Senator Davey. A committee was appointed to look into the single ownership of virtually all English speaking newspaper, radio and television interests in New Brunswick. By whom? By K. C. Irving. It may not be significant, as Mr. Camp points out, that the only time some people became interested in this control by Mr. Irving was when Mr. Irving started to oppose the Liberal party in New Brunswick. I make this comment as an aside to point out the tremendous influence in the maritimes which Mr. Irving has.

One can look at the interests of a well-known Toronto—or is it now Bahamian?—citizen, Mr. E. P. Taylor, who through his corporation controls a very substantial percentage of the breweries of this country, Dominion stores, Hollinger Gold Mines, B.C. Forest Products, Massey-Ferguson, Standard Radio; and I suppose I could go on for the next hour. One could look at another corporation whose name is not unknown to members of this house. I refer to James Richardson and Sons, which controls or has a controlling interest in several companies. They are: North American Elevators, Intercolonial Trading, Pioneer Grain, Valley Investments, and so on. All this has been documented in the book to which I referred, "Intercorporate Ownership", prepared by the Dominion Bureau of Statistics. The questions which I tried to ask the Minister of Consumer and Corporate Affairs (Mr. Basford) was whether his department was using this information and studying this material to see whether the kind of growth, the kind of gobbling up of companies which is going on by the large corporations of this country is, first of all, in conflict with the anti-combines laws of this country. After all, it was a Liberal government 50 years or more ago which first introduced the anti-combines legislation. It has not been very successful, but are those laws being breached through those corporate mergers, and if they are, is the government proposing new legislation?

• (10:10 p.m.)

Are we, through these corporate mergers, getting more and more administered prices, prices fixed not by supply and demand, not by the cost, but simply on the basis of what the owners, managers and directors of these corporations feel the traffic will bear? Are we paying more for pulp and paper where there has been no competition for some 50 years? Are we paying more for oil and for minerals than we ought to pay? These are the questions which this report poses in much greater detail and in much stronger language than anything which I or any member of the party which I represent has done in the past. It seems to me that the members of this house and of the public are entitled to know in the very near future if not tonight what the government proposes to do in this field.

There is one last point I wish to make. This report, extensive as it is, does not tell the people of Canada who in fact owns these corporations. It only makes clear that many of the holdings are in the names of other people. There are nominee companies, and we do not know who the actual owners are. Are we going to get the kind of law, and when are we going to get it, such as they have in the United States which will require both public and private corporations to state who owns them, what their assets and their worth are, what their profits are and what profits they are making in terms of percentage on investment? These are questions which are of vital importance to the people of Canada and to which we cannot get any answers until the government brings in legislation. I think we are entitled to know when we are going to get that kind of legislation.

Mr. Stanley Haidasz (Parliamentary Secretary to the Minister of Consumer and Corporate Affairs): The publication of the Dominion Bureau of Statistics to which reference has been made consists of data which corporations with revenues above $500,000 or assets above $250,000 are required to file under the Corporations and Labour Unions Returns Act. Copies of these corporate returns are always kept on file in the corporations branch of the Department of Consumer and Corporate Affairs and are available for inspection by the public. Thus, the new D.B.S. publication which is based on 1965 data does not reveal any essentially new facts. It provides an analysis and makes the information more readily available to the public.

Officials of the Department of Consumer and Corporate Affairs have made use of this information for purposes of a general merger inquiry and also for a study of concentration

of ownership in Canadian manufacturing industries. Both of these studies are described by the director of investigation and research under the Combines Investigation Act in his annual report for 1968. The information is also used by departmental officials from time to time in the course of other inquiries under the Combines Investigation Act.

The subject of the concentration of ownership and control of Canadian industry is one of the matters to which the Economic Council of Canada must necessarily be giving attention pursuant to the reference made by the government to the Council, asking for a study of and appropriate recommendations relating to competition policy in Canada.

The report of the Economic Council is expected by the middle of this year. The Minister of Consumer and Corporate Affairs does not intend to introduce any legislation relating to competition policy in general or to concentration of control of industry in Canada in particular, until he has had the benefit of the advice of the Economic Council, and the opportunity to give it careful study.

Motion agreed to and the house adjourned at 10.18 p.m.

HOUSE OF COMMONS

Tuesday, April 1, 1969

The house met at 2 p.m.

ROUTINE PROCEEDINGS

NATIONAL RESOURCES AND PUBLIC WORKS

Third report of the Standing Committee on National Resources and Public Works—Mr. Hopkins.

INDUSTRY

COPPER—STEPS TO ASSURE SUPPLY FOR CANADIAN USE

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I wish to inform the house of a change in the arrangements for control to offshore destinations of copper in refinery shapes. Since November, 1965 copper in all forms has been under control by the authority granted under the Export and Import Permits Act. However, in the case of refinery shapes permits have been issued on a yearly basis valid for multiple destinations.

The change that we contemplate has been brought about by the fact that over the past several months the London Metal Exchange price for copper has continued at a significantly higher level than the North American producer's price. This continuing price differential has intensified interest on the part of some of the copper concentrate producing mines, which have their concentrates smelted and refined in Canada, to sell their resultant copper at the London Metal Exchange price. These mines have traditionally sold a portion of their refined copper in Canada at the North American price.

Current conditions in the industry are such that there is a danger the continuing higher overseas price would attract away from Canada some of the normal and reasonable supplies of copper required by our copper consuming industries. In order to prevent this happening, several meetings have been held with the various sectors of the Canadian copper industry. I continue to hope that the industry will find its own solution to this problem. I consider it desirable however to make clear at this stage the action the government will take should a shortage in the supply of copper, traditionally available in the usual way for our users, develop in Canada.

If a legitimate shortage of copper for the Canadian fabricating industry occurs and is substantiated we will, under the authority of the Export and Import Permits Act, take the following steps:

1. Withdraw or withhold export permits for refinery shapes;

2. Ensure that Canadian fabricators of rod and wire products return all new bare copper scrap generated in their operations through normal trade channels to Canadian refineries for conversion or exchange for primary copper;

3. Ensure that the Canadian brass mills arrange for the return to their own mills of all useable scrap generated in their customers' operations.

These measures would be taken to the extent and degree necessary to ensure the reasonable requirements of Canadian copper users on a competitive basis.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I am sure there will be some questions later on arising out of the minister's statement. I would like to make just one point at the moment, and that is that I emphasize the importance of the government taking whatever steps prove to be necessary in due and adequate time to prevent a very substantial copper shortage from developing in this country, impeding the normal operations of our economy and perhaps resulting in very substantial inflationary pressures within the country.

In a minute my hon. friend from Peace River may have something to say about the lumber industry in which there has been a very substantial increase in prices of certain lumber products arising from a very substantial shortage of supply in relation to demand.

While I share the views of the minister and hope that the industry will work this problem out itself, I also hope that the minister will act in adequate time to make sure that the Canadian economy and the Canadian people are protected.

Copper Supply for Canadian Use

Mr. Max Saltsman (Waterloo): Mr. Speaker, with this announcement the minister gives an example of the power of the government when it chooses to exercise its power. There is no question that there is more than just a veiled threat contained in his statement. He intends business. He intends that no copper shortage will develop in this country. He is insisting that the industry act in the best interests of Canada, and in this case to ensure that a supply is maintained.

• (2:10 p.m.)

This has not always been the case. There have been instances in which this country, one of the major producers of copper and nickel, has faced severe shortages while the raw material was being exported to the markets of the world. This was an intolerable situation which should not have been allowed to continue.

There are other points which are not answered in this statement. I hope the minister will be frank with us and state what kind of rebuffs he received from the industry. He obviously would not be taking this action unless there had been an indication that the industry was not prepared to co-operate.

We should also know the extent to which representation has been made to the Canadian government by North American users of copper, particularly in the United States. I hope there will be a frank reply from the minister in this regard.

The shortage of copper internationally gives Canadians a lever that we should use. In the past we have been critical of the fact that we have been little more than hewers of wood and drawers of water, to the detriment of our secondary industry. Now that there is a shortage it should be made clear that the top priority for our raw materials should go to manufacturers within Canada.

The minister may have to go beyond some of the things contained in this statement and consider an export marketing board perhaps comparable to our Wheat Board, so that our raw materials will be marketed through a board rather than through private companies in order to ensure that we have the maximum use of our own resources for the future development of secondary industry in Canada.

[*Translation*]

Mr. Gérard Laprise (Abitibi): First of all, I wish to thank the minister who has kindly sent me a copy in French of the statement he has just made in the house.

[Mr. Stanfield.]

He has just announced that due to a serious shortage of copper throughout the world at the present time, prices have risen markedly on the London metal exchange. He has also said that Canadian producers are interested in exporting to that market as they can get better prices there than in North America.

Mr. Speaker, to my knowledge, this is the first time that we are faced with a copper shortage in peacetime, and the minister has made three suggestions to deal with the problem.

The first would be to withdraw export permits for refinery shapes.

Mr. Speaker, if war broke out tomorrow morning, I do not think the minister would have to use the first solution. He would rather ask for the discovery and operation of new mines to produce the copper needed.

Instead of withholding or withdrawing export permits, the minister should, in co-operation with his colleague the Minister of Regional Economic Expansion (Mr. Marchand), promote prospecting if there are not enough mines. In fact, the minister could visit my riding where I could show him many good spots for copper mining. If that metal is really in short supply in the country and in the world, I think a good way to fight present unemployment conditions would be to open new mines and give jobs to the unemployed.

That is why I think that instead of restricting these export permits for mining companies getting a better price somewhere else, some new mines should be developed in order to increase production of this much sought after mineral.

[*English*]

CONSUMER AFFAIRS

LUMBER AND PLYWOOD—GOVERNMENT ACTION TO STABILIZE PRICING

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the government has been following closely recent developments in the building materials market in Canada and has taken particular note of the increasing cost of lumber and plywood. The price of lumber and plywood has responded to increased demand in the domestic and export markets during a period when weather conditions prevented the industry from maintaining an adequate supply of basic materials.

I have examined log exports, which have been under control by the authority granted under the Export and Import Permits Act

and have found that roundwood exports are nominal and that Canada was in fact a net importer of logs last year. Recent action initiated by the government of British Columbia in co-operation with British Columbia industry would suggest that the volume of log exports will be still lower in 1969. I am satisfied that effective control is being achieved under the act.

In a situation of strong demand in relation to supply it is important that the longer term interests of the industry in domestic and foreign markets is not prejudiced by short term market considerations. Given the importance of our domestic requirements for housing and other purposes and our long standing export connections, I look to the industry to safeguard the requirements of traditional customers, both domestic and foreign, and resist any tendency to neglect the Canadian market in favour of speculative short term export demand.

Following consultations with certain cabinet colleagues, a number of steps have been taken to ameliorate the situation. Representation has been made to the railways by the Minister of Transport (Mr. Hellyer) urging that an adequate supply of railway cars be made available for the movement of wood products. The Minister of Fisheries and Forestry (Mr. Davis) is presently discussing with the provincial governments concerned the question of additional supplies of timber to be made available to industry until such time as a more stable supply/demand balance is achieved. I have also been assured by the Minister of Consumer and Corporate Affairs (Mr. Basford) that his department will be alert to any threat of anti-competitive developments in the prevailing special market circumstances.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, because of the high regard we all have for the minister and because he has to labour under a tremendously heavy burden, having to answer to this house in connection with the problems of marketing and transportation of wheat, I struggled desperately to try to find something nice to say about the minister's statement and to be neutral, but try as hard as I could I found it impossible to do so.

This is one of the most innocuous statements we have had the pleasure of hearing in this house for some time. What the minister is in fact saying is that the sky is blue, God is in His heaven, the Liberal party will govern the country, wait a little while and everything will be fine.

Some hon. Members: Hear, hear.

Mr. Baldwin: I do not find much enthusiasm in that patter of applause on the other side. What we have seen is a demonstration of the absolute inability of this government to cope with the serious problems that are facing us.

Some time ago the government set up the Department of Industry Trade and Commerce, and the Department of Consumer and Corporate Affairs. The Minister of Consumer and Corporate Affairs (Mr. Basford) indicated in his statements, by implication, and in the legislative orders which were advanced that all of these problems about pricing would be brought within the control of the federal government. The statement made by the minister has been produced in response to a number of questions by various hon. members of the opposition that deal with the price and supply of logs and the price and supply of lumber. These questions were addressed to the Minister of Transport (Mr. Hellyer), to the Minister of Industry, Trade and Commerce (Mr. Pepin) and to the Minister of Consumer and Corporate Affairs.

This is the answer we have been given to take back to our constituents. It suggests that the whole thing is a façade; that we have nothing at all that will in any way deal with these very serious problems of high prices that affect this country, particularly in relation to housing. I only wonder that the Postmaster General (Mr. Kierans) did not get into the act and give us his views in the matter.

We on this side of the house, Mr. Speaker, are bitterly disappointed. We feel there has been no adequate answer given, and that despite all the high promises made by all ministers, including the Minister of Consumer and Corporate Affairs, this government seems to have no power at all to control the increasing escalation of prices in this country.

Mr. David Lewis (York South): Mr. Speaker, I was going to begin my very brief comments by asking why the minister had produced this statement at all. It seems to me that it would have been better had he waited until some of the steps that he says have been taken produced some results about which he could inform the house, instead of making this kind of shadowy statement that really says very little.

We are concerned about two matters referred to in the statement. One of them is the export of logs, which has resulted in unemployment on the west coast. The fact is that there is still some short time in some

sawmills in British Columbia. To the extent that unemployment has been reduced it has, of course, been due to changing weather conditions, which have enabled the resumption of logging operations on a much larger scale. This has produced more logs for the mills. But it is still a fact, which I ascertained only a few minutes ago from the people who head the loggers union on the west coast, that a number of mills are reduced to one shift a day and are still working short time. So nothing has in fact been done to meet this part of the problem. When the minister says in his statement, with a naïvety and disingenuousness that really is surprising, that he looks to the industry to safeguard the requirements of traditional customers, he really cannot be very serious in suggesting that an industry which has failed to do these things will suddenly be chastened by a remark made by the minister in a statement to this house.

• (2:20 p.m.)

The second factor with which this house and the country are concerned is the increasing price of timber, affecting directly the cost of housing. It is perfectly clear to anyone who has studied the matter at all—and I do not claim to have studied it more than a little—that the rate of increase in the price is not due to increased costs or any other justifiable reason. The increase is due merely to the fact that the demand is very great and the operators and corporations involved are getting what the traffic will bear. This is something our kind of society ought not to permit, and something our kind of economy cannot afford.

When we look at the last paragraph of the statement we find that the Minister of Fisheries and Forestry is presently discussing with the provincial governments concerned the question of additional supplies of timber to be made available to industry. In view of this statement I have a right to ask how it is intended to make this additional timber available. I have a right to ask, at what price, under what conditions, by what arrangements, for what use? This is really almost an insulting kind of statement, namely to tell the house that there is discussion about making more timber available, without any facts surrounding it at all.

I am pleased to hear that the Minister of Consumer and Corporate Affairs will be vigilant with regard to increases in price and anti-competitive developments in this regard. But the fact is that prices have risen without justification and that action should have been taken before now. I congratulate the minister on a statement which is soft in words and even softer in meaning.

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I want to thank the minister for making available to us a French copy of the statement he just made. However, we are still puzzled and we are somewhat embarrassed to comment.

One might wonder if we are not back in Europe or in England, or if there is a war on, because everybody is gone and it is impossible to work. Is there a shortage of lumber or of materials? What are we short of?

I must point out to the minister and to the government that what has been lacking is planning. When we consider that in 1966, 1967 and 1968—and I have figures to prove this—lumber yards in Montreal and all Eastern Canada had great difficulties to sell their lumber, and now we are being told that Canada is importing roundwood and logs.

Has the department responsible for ensuring the mobility of workers given up its task? Is planning related to building materials made in universities or in an ivory tower? One may wonder where that will lead us.

As far as our party is concerned, there are no congratulations to offer to the minister as to the existing planning. In fact, we lack money and several other things. If we have a surplus of raw materials that we cannot exploit how will we be able to make profits?

I would like to draw the minister's attention to that situation for, in my opinion, it should not arise every year. I suggest that a good device to give work to our unemployed people, once and for all, would be to do some planning for more than a year in advance.

[*English*]

TRANSPORT AND COMMUNICATIONS

REFERENCE TO STANDING COMMITTEE OF C.N.R. AND AIR CANADA ANNUAL REPORTS —SUGGESTED MOTION

Hon. Donald S. Macdonald (President of the Privy Council): As has been mentioned several times in the house, there have been discussions about the prospect of referring to the Standing Committee on Transport and Communications the most recently tabled annual reports of Air Canada and Canadian National Railways. I believe there might be agreement to accepting an order somewhat along the following terms without debate. With the consent of the house I would move:

That the annual reports for 1967 of the Canadian National Railways and of the Canadian

National Railways Securities Trust and the auditors' report to parliament on the accounts of the Canadian National Railways system for 1967, all tabled on September 16, 1968, be referred to the Standing Committee on Transport and Communications.

That the annual report for 1967 of Air Canada and the report to parliament of the auditors on the accounts of Air Canada for 1967, tabled March 14, 1968, be referred to the Standing Committee on Transport and Communications.

Mr. Speaker: Is there agreement for the minister to make the motion?

An hon. Member: No.

Mr. Speaker: Order, please. This motion can be submitted to the house only by unanimous consent. There is not unanimous consent. I regret that the motion cannot be put.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I wish to rise on a point of order. It is my understanding of the rules that if an hon. member or hon. members refuse unanimous consent, one may ask that the name or names be divulged.

Mr. Speaker: That is not my understanding of the rules.

CANADA ELECTIONS ACT

SUGGESTED STUDY BY STANDING COMMITTEE OF PREPARATION OF LISTS, ELECTION EXPENSES AND OTHER MATTERS

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, there are several matters relating to the election law that should be dealt with by parliament in this session. I should like to put before the house a suggestion as to how we might proceed.

Under the British North America Act a general election must be held by June 25, 1973. I understand that the Chief Electoral Officer will need upwards of 24 months between the time any extensive changes are made in the act and the time when the writ for an election is issued. This time is needed for the preparation, printing and distribution of the necessary forms and papers and for the instruction of election officers. Assuming that the next election is to take place at the last possible date—and that would be extraordinary—this means that the act should be ready about two years from now. I believe that hon. members in all quarters would want the act to be ready far sooner than that. I mention this point because it bears directly on how we should deal with the matters relating to the election law.

Canada Elections Act

Hon. members will recall that in 1963 the Standing Committee on Privileges and Elections made an extensive study of the act, but whether or not, and how, some of the more important changes then considered could be made was found to depend almost entirely on the method to be used in the preparation of the lists of electors. Consequently, to secure adequate information on alternative methods of preparing the lists, a section was included in the Representation Commissioner Act to provide for the preparation of a report on that subject. That report was submitted to the Speaker in April 1968.

• (2:30 p.m.)

Four general elections have taken place since the revision of the Canada Elections Act in 1960. Undoubtedly there are changes which hon. members will wish to propose. Moreover the Chief Electoral Officer probably will have a number of improvements in the details to bring forward for consideration. Then there is the report of the Committee on Election Expenses made to the Secretary of State in 1966.

Finally, there is the statutory requirement that a review of the Representation Commissioner Act be proposed in the first session of parliament after 1968. It is my suggestion that since it was found in 1963 that any fundamental change in the method by which the lists of electors are prepared might require almost an entirely new act, we ask the Standing Committee on Privileges and Elections to deal first with the question of the method of preparing the lists.

It might be thought that the next step should be an examination of the proposed changes in the law relating to election expenses. However there is the time factor that I have mentioned already. I understand also that it would be possible to make changes in the election expenses provisions of the Canada Elections Act by a separate statute, and that these could be brought into effect without disrupting the time-consuming preparations which must be made by the Chief Electoral Officer. For this reason my suggestion is that after it has dealt with the method by which the lists are to be prepared, the Standing Committee on Privileges and Elections be asked to review the remainder of the act, exclusive of those sections relating to election expenses.

The next step, the third step, will be for the committee to deal with the election expenses proposals. Fourth, and finally, it would be called upon to deal with the review

of the Representation Commissioner Act required under section 22 of that Act.

The hon. member for the Yukon has suggested that the Dominion Controverted Elections Act should be considered by the standing committee. I believe that to be a good suggestion and I am prepared to make an appropriate motion. However I should hope that the committee could deal with this act in a way which would not delay its work on the other business referred to it.

I would propose therefore that an appropriate order to this effect be discussed during the recess with the house leaders of the various parties, and that upon our return after the Easter adjournment we should make an order of reference along the lines of the timetable I have indicated, so that the Committee on Privileges and Elections may consider these various matters.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I think it will be agreed throughout the house that this is a very important subject matter and one upon which action should be taken as early as possible by way of consideration, since it relates of course to the very foundation of our democracy. I certainly accept the suggestion, as I am sure will all hon. members, that the matters referred to should be referred to the committee as soon as possible after we return following the Easter recess. The suggestion which the minister has made with respect to the order of priorities appears to me to be reasonable, with this qualification—I doubt whether these matters can be treated in quite such watertight compartments as he seems to envisage. In other words, I doubt whether the committee can adequately consider these matters in a vacuum.

I would suggest that the possible necessity of considering the inter-relation of these various aspects, of our election procedures ought to be given further consideration before any attempt is made to place before the house a resolution which might unnecessarily tie the hands of the committee in an unfortunate way. I believe this matter should be considered very seriously. There can be no question that the subject matter to be discussed is going to take a lot of time and a lot of consideration. The report of the committee established to deal with election expenses and the reports of provincial committees which have been received or published since the report of the committee appointed by this house will require very careful consideration. These are matters which will occupy the full attention of members of the house.

[Mr. Macdonald (Rosedale).]

I hope every effort will be made to permit as full and free a consideration of these matters as possible and, if I may say so without offence, that the government will not attempt to control the thought of the house or the committee in any way by the adoption of preconceived ideas as to what kind of reforms should or should not be undertaken. I certainly agree that the question should be proceeded with promptly, but I do caution the house about assuming too easily that these questions can all be fitted into isolated compartments, as the President of the Privy Council has indicated.

Mr. Stanley Knowles (Winnipeg North Centre): We appreciate the fact that the President of the Privy Council has outlined his thinking with regard to the important matters which relate to our election machinery. I may say to him that we will be quite prepared to participate in discussions during the Easter recess as to any order of reference which might be made when we come back on April 14.

There are however one or two things which I think should be said at this time. I am glad the President of the Privy Council, although he said the new machinery should be ready within two years from now, thought it really ought to be ready before that time. Two years from now could be too late; even majority governments have been known to fall apart. If we are to have the machinery ready for the next election I would say it should be ready by the end of 1970. If this kind of timetable has merit, I suggest too much is being put on the platter of the Committee on Privileges and Elections. I should like to propose that the whole question of election expenses, namely a study of a report of the committee on that subject and any legislation to be based thereon, ought to be referred to a separate committee, even to a special committee.

I do not blame the President of the Privy Council for the order of priorities he has outlined, first, election lists; second, other details; third, election expenses and, finally, the Representation Commissioner Act. However, I am afraid that under this kind of timetable any action on the question of election expenses will get lost in the shuffle. We went through all this in the last parliament. We pressed for something to be done on this question and we were assured that something would be done until, finally, we were informed it was too late. I can see something like that happening again.

We agree that the machinery for drawing up the lists and so on is very important, but

we feel that the most important aspect of this whole business as far as genuine democracy is concerned is reform of the means by which elections are paid for—there is another word I might have used as well as "paid for", but I will let it go at that today. So I urge that serious consideration be given to referring these matters to two committees, one to take care of the technical considerations, such as new methods of preparing the lists, and other details, and another to which the whole question of election expenses would be assigned so that we might see action on this issue in the present parliament well in advance of the next election.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Thank you, Mr. Speaker, I simply wish to comment briefly on the ideas put forward by the previous speakers and related to the proposals of the President of the Privy Council (Mr. Macdonald) to the effect that an agenda should be drawn up and submitted to the committee on privileges and elections, with a view to amending the Canada Elections Act.

The reforms proposed for submission to the committee are overdue. As a matter of fact, the Ralliement Créditiste complained on various occasions about some anomalies they have had to endure at election time. We deplored, for instance, the fact that the electoral machine was under the control of the party in power.

The proposals made today will be looked into by the committee which will then report to the house. Its study will deal with new ways of drawing up lists of electors and setting up election expenditures.

Many changes could be brought about in this last area. Until now, the election epxenditures of the old political parties simply cannot be compared to those of the new parties, which have to compete with electoral machinery pretty well off from a financial standpoint. Technically speaking, the electoral machinery is under the sole control of the party in power. As to the proposals relating to the reduction of election expenditures, they are suggestions which I believe to be worthwhile but which have been made much too late. However, we must accept them and recommend to the house and to the President of the Privy Council to consider, during the Easter recess, an agenda that could be submitted to the committee on privileges and elections in order that new procedures can be adopted and carried out during the next election campaign.

• (2:40 p.m.)

[*English*]

BUSINESS OF THE HOUSE

TRANSPORT AND COMMUNICATIONS

MOTION TO TRANSFER TO GOVERNMENT ORDERS

Hon. Donald S. Macdonald (President of the Privy Council): I rise to make a suggestion with regard to the motion outstanding in the name of my colleague, the hon. member for LaSalle. If called now, the debate would proceed. I suggest a special order be made to have this transferred to government orders and called as the first item under government orders. In this way we can proceed right away with the oral question period. Perhaps this might be agreeable to the house. I move:

That the motion in the name of Mr. Lessard (LaSalle) be transferred to Government Orders and considered as the first order of business this day under Government Orders.

Mr. Speaker: Is it agreed?

Mr. Baldwin: We are agreeable to accepting that. The minister might be prepared to accept the motion and we will not have to debate it.

Mr. Speaker: Is the motion agreed to?

Motion agreed to.

ORAL QUESTION PERIOD

DOMINION-PROVINCIAL RELATIONS

REQUEST BY NEW BRUNSWICK FOR CONFERENCE ON FINANCE

Hon. Robert L. Stanfield (Leader of the Opposition): I wish to ask the Prime Minister whether he will tell the house what reply he is making to the request of Premier Robichaud of New Brunswick for an "immediate and urgent" federal-provincial conference on finances?

Right Hon. P. E. Trudeau (Prime Minister): I was just given notice of this telegram a few moments ago, Mr. Speaker. I have not considered the reply as yet. There was a federal-provincial meeting of ministers of finance in December. I am sure Premier Robichaud would not want a repetition of that meeting. We want to have a meeting with the provinces in which the provincial governments would be willing to co-operate with us to

ensure that expenses at all levels of government are kept under control. I believe it might be useful if we had meetings at the official level between representatives of the various provincial governments and our own officials.

Mr. Stanfield: I have a supplementary question, Mr. Speaker. I agree that the Premier of New Brunswick would not like to receive the kind of reply he received from the Minister of Finance at the last conference. Does the Prime Minister not agree it is a matter that must be settled and dealt with at the political level? If it is left to the official level probably many months, if not years, would pass before the matter would come back to the provincial level. Is this the answer that the Prime Minister proposes to give to Premier Robichaud?

Mr. Trudeau: Mr. Speaker, I do not agree it would take several months or years to reach decisions on this. I believe the Leader of the Opposition is trying to make politics with it. He knows that the provincial governments, especially those east of Ottawa, including the government of the province of which he was once the Prime Minister, are in difficult financial situations.

I believe he realizes this problem cannot be met by asking the federal government to give more money to the provinces, unless they want federal taxes to be increased in consequence.

An hon. Member: What about medicare?

Mr. Trudeau: The hon. member asks about medicare. I answered in my previous answer. The whole area we want to discuss with the provinces is how expenditures can be held in check in the various areas in which the federal government and the provincial governments are trying to limit them. We want to discuss the whole ambit of expenditures in which we are jointly included. This can only be done by a meeting for that purpose, and not by demanding more money.

NATIONAL DEFENCE

NATO—REQUEST FOR POLICY ANNOUNCEMENT BEFORE EASTER RECESS

Mr. David Lewis (York South): I should like to ask the Prime Minister to inform this house whether it is his intention to announce his government's policy on Canada's role in NATO before the adjournment for the Easter recess.

[Mr. Trudeau.]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will do my best to have that announcement ready before the adjournment for the Easter recess. I have always indicated that we consider that the meetings in Washington on April 9 and 10 are a deadline we have to meet. We are doing our best to meet that deadline. If we can meet the deadline of the house adjournment, we shall make a statement in this place.

Mr. Lewis: Can the Prime Minister not be a little more specific? Can he state if the house will be sitting tomorrow, if for no other reason than to listen to this important announcement on policy? Does the Prime Minister think he will be prepared to make such a statement tomorrow?

Mr. Trudeau: I think I will be ready, Mr. Speaker, but I will not guarantee it. We are having further meetings of cabinet committees and of cabinet before tomorrow.

[*Translation*]

AIRPORTS

STE. SCHOLASTIQUE—COMMITTEE TO FUNCTION DURING BUILDING OPERATIONS

Mr. Roland Godin (Portneuf): Mr. Speaker, I wish to direct my question to the Minister of Transport.

Since the expropriations necessary for the construction of the new international airport would keep the mayor and the aldermen of the community of Sainte-Scholastique from fulfilling their obligations, under the Municipal Code, could the minister tell the house if he intends to establish a special committee to take over the administration of the community until the construction begins?

[*English*]

POST OFFICE DEPARTMENT

SUGGESTED LOWERING OF RATES FOR WEEKLY NEWSPAPERS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I address a question to the Postmaster General. In view of the fact that today is the day when the execution of many of our weekly newspapers across Canada will have been determined, with the decision postponed for a short period, and in view of the representations made by such non-political organizations as the Weekly Newspapers Association, has he decided that there should be an alteration in the new rates already determined upon, to the end that these newspapers so beneficial to the communities and the provinces that they serve shall not be sacrificed?

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, the weekly newspapers as a class were embarrassed probably the least of all the groups in the publishing industry, and their complaints have been far less than those of other groups. At the present time the people of Canada are paying approximately 86 per cent to 87 per cent of the costs of delivering weekly newspapers. We think that subsidy is too high, but that is what the taxpayers are presently contributing.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Mr. Speaker, it is of interest that the applause throughout the Liberal benches supports the minister's statement. That should be on the record. I ask the minister whether he is not going to give reconsideration to the strong representations that have been made by the Weekly Newspapers Association, to preserve this necessary element in the village and town life of our country?

Mr. Kierans: Mr. Speaker, I think I indicated in my answer that the present subsidy has reached a level of 86 per cent. I do not intend to increase that subsidy to 93 per cent or 94 per cent.

Mr. Diefenbaker: They don't ask that.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I wish to direct a supplementary question to the Postmaster General. Can he assure the house that the weekly newspapers will not be financially embarrassed right out of business?

RETENTION OF RURAL POST OFFICES PENDING SUBSTITUTION

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I wish to direct a question to the Postmaster General. Can he assure the house that there will be no close down of rural post offices until such time as adequate and satisfactory substitute service is available?

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, I think I can tell you that if we examine 100 post offices approximately 40 of them will remain open, generally speaking for the reason that the hon. member has suggested, that we cannot substitute a better service. In other words the mere fact that we examine 100 or 200 post offices does not mean that 100 or 200 will be closed.

Inquiries of the Ministry

EASTER DELIVERY—STEPS TO RELIEVE CONGESTION

Mr. A. D. Hales (Wellington): Mr. Speaker, I wish to direct a supplementary question to the Postmaster General. In view of the fact that there will be no mail delivery on Good Friday this week and that post offices are closed on Saturday, does the Postmaster General propose to take any steps to alleviate the congestion of mail, so that we will have reasonable dispatch of the weekend three days mail delivery?

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, we have been working this out with the unions.

[*Translation*]

PUBLIC SERVICE

INQUIRY AS TO BILINGUAL BONUS

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I wish to ask the Prime Minister a question.

On January 17, 1967, as stated on page 11878 of the official debates of the house, the Right Hon. Lester B. Pearson declared that the 7 per cent bonus for bilingual employees would be retroactive to October 1, 1966.

Could the Prime Minister tell the house when the order in council of October 1966 will be brought into force and if those civil servants can expect a salary adjustment before the bill concerning the official languages is passed?

Right Hon. P. E. Trudeau (Prime Minister): That question comes under the Secretary of State, Mr. Speaker, and I would ask that it be directed to him.

[*English*]

AIR TRANSPORT

MERGER BETWEEN AIR CANADA AND CANADIAN PACIFIC AIRLINES

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a question to the Minister of Transport. Is the Government of Canada presently conducting merger discussions regarding Canadian air services overseas with Canadian Pacific Airlines on behalf of Air Canada, or is Air Canada discussing this possibility directly with Canadian Pacific Airlines?

Hon. Paul Hellyer (Minister of Transport): To the best of my knowledge, Mr. Speaker, the answer is no to both questions.

Inquiries of the Ministry

AIRPORTS

STE. SCHOLASTIQUE—JET OVERHAUL FACILITIES

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I wish to direct a question to the Minister of Transport. Can the minister say whether plans for the new airport at St. Scholastique include the construction of jet overhaul base facilities at that new airport for both Air Canada and any other national Canadian carriers?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, to the best of my knowledge there is no plan to build base maintenance facilities at St. Scholastique. There will of course be line maintenance facilities, but according to the last briefing I had there was no plan to build base maintenance facilities.

Mr. Schreyer: Can the minister say whether it is the intention to ferry all aircraft requiring more extensive overhaul from St. Scholastique to Dorval?

Mr. Hellyer: That would be the present intention, Mr. Speaker. However, these plans are always subject to change as the hon. member knows, and therefore it is very difficult to speculate or to make commitments, or at least to give information which is not subject to change some time in the future. But I think that if the question were directed to the management of the companies at this stage it would be their plan to ferry the planes to Dorval for base maintenance.

Mr. Schreyer: Mr. Speaker, I wish to direct a further supplementary to the minister. In view of the fact that $21 million is being allocated for base extension at Dorval, does not the minister regard the Air Canada position as one of gross deception—

Mr. Speaker: Order, please. I suggest to the hon. member that this is argumentation and not a question.

MONTREAL—REQUEST FOR JUDICIAL INQUIRY INTO ALLEGED LEAK

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I would like to ask the Prime Minister a question. In view of the judgment made yesterday, and I am not referring to the judgment other than just as a preamble, would the Prime Minister now consider it would be proper to set up a judicial inquiry in reference to the cabinet leak in reference to the new Montreal airport?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

[Mr. Hellyer.]

GOVERNMENT ADMINISTRATION

PRETAPING OF DECISIONS PRIOR TO PRESENTATION IN HOUSE

Mr. Eldon M. Woolliams (Calgary North): May I ask a supplementary question. Is it now accepted as government policy that they are prepared to pretape government decisions and cabinet decisions prior to making those decisions, or at least prior to the announcement of those decisions in the House of Commons?

Right Hon. P. E. Trudeau (Prime Minister): Well, Mr. Speaker, it may be that we will have to look at the whole area of information services to the public, and it may be that such facilities in the future would have to be brought under government control.

Mr. Woolliams: Mr. Speaker, I wish to direct one more supplementary question to the Minister of Transport. In view of his statement made outside the house, does he now consider that the Official Secrets Act does apply to people unsworn in other parts, that are not part of government, such as television and radio stations?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I am informed it applies to contractors but I would not presume to give the hon. member a legal opinion.

BROADCASTING

TAPING OF COMMENTS FOR LATER DISTRIBUTION

Mr. Eldon M. Woolliams (Calgary North): As a further supplementary question, did the minister express a legal opinion outside the House of Commons on TV stations in Canada last evening?

Hon. Paul Hellyer (Minister of Transport): I gave my own opinion, Mr. Speaker, based on advice I had received; but I was interested yesterday, and I thought the hon. member and the hon. member for York South sort of pointed up beautifully the importance of the electronic media when they left the chamber before Orders of the Day were concluded—

Mr. Speaker: Order—

Mr. Hellyer: —to tape their comments—

Mr. Speaker: Order—

Mr. Hellyer: —in order to catch the early news last night.

Mr. Speaker: Order, please

Hon. Robert L. Stanfield (Leader of the Opposition): As a supplementary question, Mr. Speaker, does the Minister of Transport see no distinction between a member of the opposition going out to make a comment on the behavior of a minister in the house, and a minister of the Crown making a recording several days before an official announcement which might have a very prejudicial effect upon the people of this country?

Mr. Hellyer: I believe there is, indeed, a difference but I think absenting oneself from the house without leave is mentioned in the rules. I was surprised my hon. friend did not have the patience to wait—

Mr. Speaker: Order, please.

Mr. Woolliams: I wonder whether I might rise on a question of privilege. I realize this government is becoming more dictatorial every day, but I did not know I had to ask special leave from the Minister of Transport, who has leaked a secret to the nation. If he recognized his responsibility he would realize that he is now in breach of the oath he took as Privy Councillor of this nation.

Mr. Speaker: The hon. member for Greenwood.

Mr. Lewis: Eldon, he does not deserve this attention.

An hon. Member: Who—the hon. member for Greenwood?

NATIONAL DEFENCE

A.B.M. SYSTEM—REQUEST FOR STATEMENT ON CANADIAN INVOLVEMENT

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I will try to change the subject by directing a question to the Minister of National Defence. Would he be prepared to bring before the Standing Committee on External Affairs and National Defence soon after the Easter recess the evidence available to the government on the proposed installation of the anti-ballistic missile system in the United States and any possible Canadian involvement in the system?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I do not think there would be any objection on our part to a comprehensive briefing that could be held in camera. I have no objection to that. The member seems to think we have written memoranda or an exchange of printed material, which we do not have. We have at the technical level exchanged views and technical data that we can translate into a briefing for the committee. I think that would be agreeable to me.

Mr. Brewin: I should like to ask the minister whether there is material of an unclassified nature which was made available either in writing or orally to the government and which could properly be put before the Standing Committee on External Affairs and National Defence?

Mr. Cadieux (Labelle): I have no objection to trying to sort this out. Certainly part of the material could be made public but if there is to be an extensive briefing there are a number of things which would be considered to be classified. Whichever approach is preferable can be followed.

INDUSTRY

DEVCO—COMPULSORY RETIREMENT OF MINERS

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, my question for the Prime Minister is one to which I have been seeking an answer now for some time, including yesterday. Will the Prime Minister indicate whether the government endorses the compulsory retirement at age 60 of employees of Devco, a crown corporation?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think this question would have to be asked of the minister responsible for Devco.

Mr. MacInnis: Mr. Speaker, I rise on a point of order to draw to the attention of the Prime Minister that this question goes back to early last fall and has been asked several times within the last two weeks. It was asked again yesterday. According to the Prime Minister's roster the minister was supposed to have been here to answer the question yesterday. Devco has taken action to retire crown corporation employees compulsorily at age 60. Surely the Prime Minister as leader of the government should know whether it is government policy to retire employees compulsorily at age 60. Would he give consideration to this question?

Mr. Trudeau: I will give consideration to that question, Mr. Speaker.

Inquiries of the Ministry

Mr. MacInnis: While the Prime Minister is giving consideration to my question will he give consideration to the uncertainty under which the miners of Cape Breton are living because of the unjust society he is running?

INCOME TAX

REQUEST FOR EXEMPTION OF OLD AGE PENSIONERS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct this question to the Minister of Finance. In view of the fact that the minister has put off until after the Easter recess the bringing in of his bill to amend the Income Tax Act, will he now consider including in that bill, when he does bring it in, provision to make it unnecessary for people who have only their old age security pension and the guaranteed income supplement to pay income tax thereon?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, this is a matter of change of exemptions which was not provided for in the resolution I presented to the house. As my friend knows, the whole matter of personal exemptions and tax reform in this country is under consideration. I hope to bring in a white paper in this regard in June.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, is the minister not aware that we have changed the rule since his earlier resolution was passed and that the bill he will now bring in will be a bill de novo, and that he could alter it to provide for the change I have suggested.

Mr. Benson: I am quite aware I could change the bill.

Hon. Robert L. Stanfield (Leader of the Opposition): In view of the minister's use of the word "hope" in respect of what we took to be a commitment that the white paper would be brought in in June, is this no longer assured but purely an expression of hope on the part of the minister?

Mr. Benson: I have learned that in government everything is a hope. My intention is to produce a white paper in June if it is at all possible to do so.

Mr. David MacDonald (Egmont): Mr. Speaker, could the Minister of Finance inform the house, in view of the fact that the Minister of National Health and Welfare is not with us today, that the question raised by the hon. member for Winnipeg North Centre with regard to the raising of the exemption for those in receipt of pension assistance will come under the details of the review currently being carried on by his department in respect of the matter of welfare and so on?

Mr. Benson: I am sure all provisions surrounding our welfare programs are being considered and studied by the department.

[*Translation*]

NATIONAL DEFENCE

A.B.M. SYSTEM—USE OF CANADAN BASES BY U.S.

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to direct a question to the Minister of National Defence.

Is he now ready to answer the question I put to the Prime Minister last Wednesday, March 26 as to whether Canada is committed or has agreed to allow the American government to use Canadian bases located in the Canadian Far North, in order to establish an emergency airborne system, and has the government pledged itself to supply those bases or to allow the United States to use such bases on our territory?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I would like to look into that.

[*English*]

MEDICAL SERVICE TO DEPENDANTS OF MILITARY PERSONNEL

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Minister of National Defence. Has medical service to dependants on a Canadian forces base been discontinued as of yesterday and, if so, is this related to the introduction of medicare in the province of Manitoba?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I would like to check it, but this would be news to me. I know that we adapt our rates to provincial rates. I think that is the only change that has been contemplated. I will have to check, but I would be very surprised.

[*Later:*]

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I have been provided

with the answer to the question posed by the hon. member for Brandon-Souris and perhaps I might be allowed to give that answer now. In trying to provide extra service to the dependants of our servicemen we undertook, on a three-month trial basis, to provide limited medical care to dependants. This trial was conducted at Shilo, Manitoba, and ended yesterday. We found the costs too high to make any firm undertaking to provide this service at other than isolated bases. This trial was in no way connected with medicare or the entry of Manitoba into the medicare plan.

TRANSPORT

FREEZE ON MARITIME FREIGHT RATES

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, my question is for the Minister of Transport. Following the minister's assurance to the house on Monday that the freight rate freeze in Atlantic Canada will remain in effect pending consideration of Bill C-182, would the minister assure the house at this time that the bill which freezes the rates on maritime transportation will be brought before the house immediately upon the resumption of parliament after the Easter recess?

Hon. Paul Hellyer (Minister of Transport): It is the government's policy to proceed with the bill soon following our return from the Easter recess.

LABOUR RELATIONS

STRIKE OF SHEET METAL WORKERS—EFFECT ON GRAIN DRYING

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister of Labour. In light of reports from the Lakehead that a strike of sheet metal workers at that point has created an emergency in respect of the installation of new grain drying equipment and as a consequence has seriously aggravated the problem of drying wet and damp grain, can the minister indicate when this strike may be settled and whether he is taking action to expedite the settlement?

Hon. Bryce S. Mackasey (Minister of Labour): I may be wrong, Mr. Speaker, but I think the dispute in question is one that comes under the jurisdiction of the provincial minister of labour.

Inquiries of the Ministry

INDUSTRY

COPPER—MEETING OF CANADIAN REQUIREMENTS

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct my question to the Minister of Industry, Trade and Commerce. In respect of the statement the minister made today concerning copper, may I ask him whether he has received assurances from the copper producers in this country that Canadian requirements will be met?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The purpose of the announcement I made was to make sure of that. There is still a discrepancy between what is offered by the producers and what is needed by the Canadian users. The present situation is very complicated: a number of producers who were shipping to Noranda for refining and were selling at the North America price also would like to benefit from the L.M.E. price. We are trying to get the industry, in its best interests, to make the adjustment itself. I hope we will manage.

Mr. Saltsman: A supplementary question, Mr. Speaker. Would the minister say whether he has received any representations from American users of copper in regard to this question?

Mr. Pepin: No, Mr. Speaker.

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a supplementary question on the same subject for the Minister of Industry, Trade and Commerce. I agree with him that it is a rather complicated matter, but is the minister's statement a threat to the producers that if they do not play ball and go along with the system of controls they will not be allowed to sell outside Canada?

Mr. Pepin: Mr. Speaker, the purpose of the exercise is to make sure that manufacturers in Canada will get their copper in quantities and at a price that is reasonable, so that they will remain competitive among themselves and also competitive in foreign markets.

Mr. Saltsman: A further supplementary question. Has the minister made any representations to scrap dealers in copper with a view to granting export licences?

Mr. Pepin: Mr. Speaker, they are covered in part by the statement that I have made today.

Inquiries of the Ministry

AGRICULTURE

HOGS—INCENTIVE TO PRODUCE HIGHER QUALITY

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a question for the Minister of Agriculture. In view of the fact that the government indicated that the change in hog grading 90 days ago was based on the incentive to improve the breed of hogs rather than the estimated saving of $2 million, would the minister indicate whether his announcement last week, which will result in a further reduction in the payments made to the producers, was made after consultation with producers' organizations or was it a straight economy move on the part of the government?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the principle of concentrating incentive to produce higher quality hogs has been discussed with the producers' organizations many times, and they have agreed with the principle.

PUBLIC ACCOUNTS

REQUEST THAT REPORT OF AUDITOR GENERAL BE REFERRED TO COMMITTEE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Acting President of the Treasury Board. In view of the fact that the 1968 Auditor General's report contains a number of matters which are a continuation of the very interesting subjects that are now engaging the attention of the public accounts committee, would the minister confer with his colleague the President of the Privy Council to see whether it would be possible to make an order today or tomorrow to refer to the Public Accounts Committee the 1968 Auditor General's report? I mention this in view of the Easter recess which may provide an opportunity for members, particularly those with a penchant for horror tales, to read the report.

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, I will be glad to discuss this matter with the President of the Privy Council.

LABOUR RELATIONS

MONTREAL—DISPUTE BETWEEN SHIPPING FEDERATION AND LONGSHOREMEN

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have a question for the Minister of Labour. Last night I asked the minister a series of questions relating to the situation in the port of Montreal. Since the minister is in the house today, is he in a position to give the house a statement as to what he foresees in the next few days in regard to keeping this port open?

Hon. Bryce S. Mackasey (Minister of Labour): Unfortunately, Mr. Speaker, negotiations between the Shipping Federation and the I.L.A. in relation to the ports of Montreal, Trois Rivières and Quebec broke off last night at about eleven o'clock. Owing to the fact that the judge involved, Alan Gold, had been chairing meetings almost continuously for the last 96 hours, both sides agreed that the judge be given an extension of 48 hours in which to prepare a report to be submitted to the Minister of Labour. As the hon. gentleman is aware, upon the receipt of that report both sides will be entitled within seven days either to go on strike or to lock out. In the meantime I have been informed that the port activities are continuing in a very orderly fashion.

Mr. Lambert (Edmonton West): A supplementary question. Would the minister inform the house whether on receipt of the report from the conciliator he is legally empowered to refer it back to the conciliator for further consideration or other action?

Mr. Mackasey: Mr. Speaker, I have already done that on several occasions last year. If I were to predict what will happen I would say, in tribute to Judge Alan Gold who has acted as chairman of the arbitration board and at the same time, as chairman of the conciliation board, for 15 months, that knowing the deep interest he has in the port of Montreal I am confident that when I receive the report I will find it to be a complete one, and therefore there would be no reason to return it.

TRANSPORT

PRINCE EDWARD ISLAND CAUSEWAY—RETENTION OF CONSULTANTS

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Prime Minister. Would he explain why the major consultant firm that is preparing an estimate on the Prince Edward Island causeway has not been told to discontinue its work?

PRINCE EDWARD ISLAND CAUSEWAY—
RELEASE OF STANFORD RESEARCH
REPORT

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I wish to direct my question to the Prime Minister. Can the Prime Minister advise whether the government has acceded to the request of the Premier of Prince Edward Island with reference to the release of the Stanford Research Institute report and the report of Colonel Edward Churchill on the Northumberland causeway, both of which documents the Prince Edward Island legislature wishes to have tabled and examined?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will have to ask the Minister of Public Works to provide me with the answer to those questions.

Mr. David MacDonald (Egmont): A supplementary question, Mr. Speaker. The question raised by the hon. member for Hillsborough relates, of course, in part at least to the notice of motion for production of papers which was accepted some weeks if not months ago. At that time an indication was given by the Minister of Transport, and I believe by the government house leader, that the only hold-up was in waiting for the consent of the Prince Edward Island government, which now seems to have been available for some little time. I wonder whether either the Minister of Transport or the Prime Minister would give the house the assurance that before we adjourn for the Easter break tomorrow these documents will be tabled and made available to the house?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, as I indicated previously I do not think I referred specifically to the Prince Edward Island government; I referred to the provincial governments. My understanding is that as yet consent has not been received. Therefore, in accordance with the practice of the house I cannot give the undertaking requested without the necessary consent.

Mr. Macquarrie: A supplementary question, Mr. Speaker. Is it not possible to regard a request from the Prince Edward Island government as a de facto indication of consent? They are asking for it.

Mr. Macdonald (Rosedale): But I said "provincial governments"—plural.

Inquiries of the Ministry

INDUSTRY

AUTOMOBILES—LOWER U.S. SALE PRICE
UNDER AGREEMENT

Mr. A. D. Hales (Wellington): Mr. Speaker, I direct my question to the Minister of Industry, Trade and Commerce. In view of the fact that the idea of the U.S.-Canada car pact was parity of price between cars made in Canada and cars made in the United States, could the minister explain to the house why the new Ford model known as the Maverick will be selling for approximately $380 less in the United States than it will sell for in Canada, even though the car is made in Canada?

Mr. Speaker: Order. I doubt that the question is in order. The hon. member's question is rather in the form of an argument, and I do not think the time of the house should be devoted to arguments instead of questions at this time.

Hon. Marcel Lambert (Edmonton West): I have a related question for the Minister of Industry, Trade and Commerce. Has the minister been given an explanation by the Ford Motor Company of the difference in price and been advised why a Canadian made automobile sells in the United States for $380 less than its advertised price in Canada?

Mr. Speaker: Order.

Mr. Lambert (Edmonton West): It is the same question, Mr. Speaker, but it is not argumentative.

Mr. Speaker: I realize it is not an argument. Since I feel unhappy that the hon. member for Wellington did not receive an answer, perhaps the minister would reply to both questions.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, before asking for an explanation from the Ford Motor Company I asked for an explanation from my officials. First of all, if you deduct from the $300 the difference in currency exchange and also the difference in sales tax, this reduces the amount to a little over $100. The average differential in production cost between the two countries has been brought down from 9 per cent in 1964 to 3.8 per cent in 1969. A difference of about $100 is equivalent to about 5 per cent. There is still the difference between 5 per cent and 3.8 per cent. I am meeting Mr. Scott, president of Ford Motors, on April 7, and either before or at that time I will bring this to his attention and ask for an explanation.

Inquiries of the Ministry

Mr. Hales: A supplementary question to the Minister. The minister has stated there is a difference of approximately $100, taking into consideration the factors he mentioned. I should like to ask him why there is not complete parity.

Mr. Pepin: Mr. Speaker, one of the purposes of the pact is to achieve that.

AGRICULTURE

REQUEST FOR TASK FORCE REPORT FOLLOWING CONGRESS MEETING

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, my question is addressed to the Minister of Agriculture. Now that the Congress on Agriculture is over, can the minister tell us when we may expect the final report of the task force?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I think the task force itself indicated at the congress that it hoped to have the report ready by the end of this year. If I may, I would like to advise hon. members that I still have a few of the papers and documents prepared for the congress, and if any hon. member would like them and would send my office a request we would be glad to send him a copy. I think, however, I can wait only a few more days because there are agricultural schools and universities that would like to have the copies that we have left.

Mr. David MacDonald (Egmont): Mr. Speaker, can the minister indicate whether there will be tabled in the house or presented to the agricultural committee some form of report from the congress, so we may know the views of the 400 people who conferred on the report of the task force?

Mr. Olson: Mr. Speaker, a summary of the discussion at the congress will be prepared and distributed to interested parties and observers, which includes all the members of the Standing Committee on Agriculture of this house. If any other member would like to have it and if he would advise my office we will see that he gets it.

FARM MACHINERY

ACTION FOLLOWING FINDINGS OF PRICE DIFFERENTIALS

Mr. Ed Schreyer (Selkirk): Mr. Speaker, since the commission on farm machinery prices presented a study paper to the Congress on Agriculture, can the minister say whether his department is conducting any discussions with a view to taking follow-up action based on the commission's findings which show price differentials of many hundreds of dollars?

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker. What is more, Dr. Barber of that commission has indicated to me that he will have a further paper for me within a very few days taking into account the different pricing practices, if I may call them that, in many places in addition to the difference between those practices in England and Canada. In fairness to the commission and to the farming industry, before we proceed I think we should wait the extra time it may take for the submission of the report encompassing all these pricing practices.

OFFICIAL LANGUAGES

INQUIRY AS TO RESUMPTION OF DEBATE ON BILL

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a question for the Prime Minister. Can the Prime Minister advise the house whether the Minister of Justice and other government officials have completed consultations with those premiers and attorneys general of the provinces that have found the official languages bill unacceptable? If so, can the Prime Minister advise when the house may expect to resume debate on the official languages bill?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Minister of Justice has, I believe, met with the attorney general of each province. He has advised me of the results of those meetings. It appears that certain amendments are desired by some of the provinces if they do not take this bill to the Supreme Court. We are considering these amendments now with the minister and the Secretary of State. Once cabinet has decided whether it will accept these amendments, they will either be brought into the house or we will proceed with the bill as it stands.

Mr. Alexander: A supplementary question, Mr. Speaker. Would the Prime Minister be so bold as to indicate which sections of the present bill the premiers and attorneys general have found unacceptable?

Mr. Trudeau: No, I would not be that bold, Mr. Speaker.

NATIONAL DEFENCE

OFFICER TRAINING PAY TO CADETS

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, my question is to the Minister of National Defence. When will the 1968 officer training pay be paid to cadet groups?

[*Later:*]

Mr. Rod Thomson (Battleford-Kindersley): I rise on a point of order, Mr. Speaker. I asked a question in this house. It may have been considered argumentative, but I felt the Minister of National Defence wanted to answer it.

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I did want to answer that I did not know.

[*Translation*]

OIL

U.S. REACTION TO CANADIAN POLICY

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister.

Could he tell us whether he has passed on to the President of the United States and to members of his cabinet the information given to him by the Canadian association of independent oil producers, to the effect that the Northern part of the United States could absorb between 150,000 and 200,000 barrels of Canadian fuel oil per day, and in the affirmative, what was their reaction?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have discussed this question broadly last week with the President of the United States, and we have agreed to organize meetings of officials, which are to begin effectively tomorrow in Washington. Canadian officials will discuss this problem with United States officials.

Mr. Lambert: Mr. Speaker, I should like to ask a complementary question.

Has the Canadian government adopted the same policy as the United States, particularly in appointing a group called a task force, made up of a committee of ministers whose task would be to follow this question, or is the Canadian government going to appoint only civil servants?

Mr. Trudeau: Mr. Speaker, the responsible minister is looking into the matter very closely, and the work that he is having done is being done within the departments.

[*English*]

Mr. Speaker: Orders of the day.

THE MINISTRY

EFFECTIVE DATE OF BILL C-173

Mr. Stanley Knowles (Winnipeg North Centre): I rise on a brief point of order, Mr. Speaker. In view of the fact that this is the first day of April, does that mean that Bill C-173 has come into effect, and may I ask the Prime Minister whether we should now call certain ministers by their new names or does there have to be some other formality?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the swearing in of ministers in respect of their new titles and functions took place at noon today. They would be honoured to be called by their new names now, especially the Minister of Communications.

Some hon. Members: Hear, hear.

Mr. MacDonald (Egmont): We have another name for him.

GOVERNMENT ORDERS

TRANSPORT AND COMMUNICATIONS

CONCURRENCE IN FIFTH REPORT OF STANDING COMMITTEE

The house resumed, from Monday, March 31, consideration of the motion of Mr. Lessard (LaSalle) that the fifth report of the Standing Committee on Transport and Communications, presented to the house on Wednesday, March 19, 1969, be concurred in.

Mr. Baldwin: On a point of order, Mr. Speaker, I understood that when the motion was called yesterday Your Honour recognized the hon. member for LaSalle. In view of the fact that the hon. member is the chairman and spokesman of the committee and was, I understand, prepared to take the floor—I also judge this to be so from what I can see from here—to justify and, hopefully, support the recommendation, I ask whether the hon. member is not going to speak in accordance with the fact that he was recognized by Your Honour?

Mr. Speaker: Order, please. The hon. member's point of order is not well taken. If the

hon. member rose and sought the floor I would recognize him. But my understanding is that he did not rise; he bowed to the Chair for the purpose of indicating that he was moving the motion. If the hon. member rises, I recognize that as chairman of the committee he would be given preference. But I would think this might perhaps be wishful thinking on the part of the hon. member for Peace River.

• (3:30 p.m.)

Mr. Baldwin: In making the point of order I am prepared to say that if there is any dispute I would be perfectly prepared to move that the hon. member for LaSalle be now heard.

Hon. Donald S. Macdonald (President of the Privy Council): As always, one can only be amused by the antics of the hon. member for Peace River.

Mr. Dinsdale: You should see yourself.

Mr. Macdonald (Rosedale): I must say that these contributions from the other side are very interesting. They are probably better than we will get for the rest of the debate.

As I have already indicated previously in my remarks on this question, the government has no difficulty in accepting the initial part of the report of the standing committee. In particular we take no exception to the first of the recommendations made, except perhaps to say that we feel that for the benefit of maritime shippers the freeze should not be limited to the period mentioned by the committee but should be extended for the period of a full year. But I make no complaint on this point, and a bill to that effect has now been introduced in the house.

I should like, however, to address my remarks to the second of the two recommendations of the committee, to wit:

—the order of the Canadian Transport Commission, authorizing the Canadian National Railways to suspend rail passenger service in Newfoundland on April 5 1969, be left in abeyance, until your committee tables its complete report in respect to this question.

I should now like to suggest to the house—and this was referred to by Mr. Speaker in his opinion delivered yesterday—that although this report has been found to be in order the house should not concur in it.

An hon. Member: Does Mr. Pickersgill think this?

[Mr. Speaker.]

Mr. Macdonald (Rosedale): I am flattered the hon. member thinks I have the clarity and the agility of thought of the president of the Canadian Transport Commission.

My contentions are the ones that I mentioned yesterday. The principal one is that the house should not endeavour to do by a resolution what can only be done by a statute. In other words, we should not try by a motion of this kind to set aside an act of parliament. As hon. members know, and as was already pointed out, in previous years parliament has indicated that the Canadian National Railways and the Canadian Transport Commission as autonomous organizations should assume the responsibility for decisions with respect to rail line abandonment. I think it is a salutary principle for parliament, having given that authority to those two bodies with respect to the management of this problem, to permit these bodies to carry out their responsibilities until parliament chooses by an appropriate amending statute to change the authority in that regard.

Hon. members opposite appear to be of the opinion that the house should ignore legislation giving the Canadian Transport Commission and the C.N.R. the authority to make decisions on questions of abandonment of rail service. I do not share their view, and I submit to the house that if we are not proposing to change the statute law in this regard—and the position of the government is that we should not change it—we should not give to the two bodies directions of the kind suggested in the proposed report.

For these reasons I move:

That the said report be not now concurred in but that it be recommitted to the Standing Committee on Transport and Communications with instruction that they have power to amend the same by deleting the fourth paragraph thereof, which reads as follows: "Your committee recommends that the order of the Canadian Transport Commission, authorizing the Canadian National Railways to suspend rail passenger service in Newfoundland on April 5, 1969, be left in abeyance, until your committee tables its complete report in respect to this question."

Some hon. Members: Shame.

Mr. Deputy Speaker: Is there agreement to the amendment?

Mr. Knowles (Winnipeg North Centre): May I rise on a point of order, Mr. Speaker. My point of order is that the amendment is defective in that it refers to certain words as being in the fourth paragraph of the report. As I read them they are in the fifth paragraph of the report. The other day Your Honour ruled

that a motion that did not make sense could not be put by the Chair.

Mr. McGrath: April Fool.

An hon. Member: Why don't you give up now when you are ahead?

Mr. Macdonald (Rosedale): Mr. Speaker, may I speak on the point of order?

Mr. Deputy Speaker: I should just like to make an observation. It seems to me that it is the fourth paragraph of the report. The first paragraph seems to be what constitutes a preamble.

Mr. Knowles (Winnipeg North Centre): But it is a paragraph.

Mr. Deputy Speaker: I do not know how seriously the hon. member for Winnipeg North Centre wants to press this point, but I would suggest that the reference really is to the fourth paragraph of the report, unless there is serious objection to that.

Mr. Lambert (Edmonton West): Mr. Speaker, yesterday there was a ruling based on a technicality. Surely to goodness if we are going to be technical on one day we should be technical on the next. It is not a case of fitting rulings to the circumstances, and I am not suggesting that there is any such consideration in Your Honour's mind. But surely if there is a reference to stated words in a particular paragraph and unless the paragraphs are numbered, the paragraph referred to, whether it is a preamble, a recital or what have you, is still paragraph 1, and so on down the line. If such is the case, and I will take the word of the hon. member for Winnipeg North Centre that these words are in the fifth paragraph, then no such words appear in the fourth paragraph. If the amendment is defective, it is defective.

Mr. Baldwin: May I suggest that a fairly serious objection has been made, so possibly Your Honour might like to give the matter some consideration and in the meantime we could proceed with the debate. If Your Honour should hold that the amendment is defective, the President of the Privy Council might be prepared to come back and ask for unanimous consent to make another motion. Whether or not unanimous consent will be granted is another thing, but in the meantime the debate might proceed so that we do not lose any time.

Mr. Deputy Speaker: Rather than belabour the point perhaps I should say again that I did make the observation that the first paragraph constituted a preamble and the following four paragraphs were substantive paragraphs. That point is being questioned. In the interest of expediency, perhaps it might be best to accept the point of order and to say the amendment is defective. Possibly the President of the Privy Council could arrange for someone to move an amendment subsequently.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, before making some other observations on this matter I should like to deal very briefly with two of the more serious arguments just presented by the President of the Privy Council (Mr. Macdonald). First of all, I should like to make clear that according to my understanding of the report of the committee it did not instruct the house as to what it should do; it merely recommended to the house a certain course of action.

This matter was dealt with extensively yesterday when another point of order was being discussed by my colleague, the hon. member for Peace River (Mr. Baldwin). I do not intend to belabour the point now, but I think it is quite clear from the simple definition of the word "recommend" in Webster's Dictionary that there was nothing peremptory in the committee's report so far as the government is concerned. It was merely a recommendation to the government by the committee that a certain course of action be followed. It most certainly did not specify in any way the method by which that course of action should be carried out. That was left entirely to the government because it is the government's prerogative. It merely recommended that certain things be done.

The second objection raised by the President of the Privy Council concerns the fact that we are asking the government to undo something that is within the prerogative of the Canadian Transport Commission. Again, this is not the case. Under the act which brought the Canadian Transport Commission into existence, provision is made for appeals from decisions of the commission. In particular, provision is made for an appeal to the Governor in Council, in other words, to the cabinet.

• (3:40 p.m.)

In this case a committee of this house was, in a sense, providing a form of appeal. That committee was empowered by the house to investigate problems of transportation in the Atlantic provinces, a very broad field. Having

heard evidence it was, in effect, providing for an appeal from the decision of the Canadian Transport Commission with reference to passenger service in the province of Newfoundland carried out by the Canadian National Railways but abrogated as of a certain date, namely, April 5, following an order of the C.T.C. This is what the report of the committee purported to do. As any group of persons might do it was seeking an appeal from this decision. On these two grounds I submit that both the arguments put forward by the President of the Privy Council are completely invalid.

A word, now, on the subject of the work of committees generally and of the Transport Committee in particular. When the new rules were introduced into this house I believe the public in general and, indeed, most hon. members, had high hopes for the committee system under the new arrangements. Some of us had misgivings as to the way in which these committees might operate, first, because all of them except one had a government member as chairman—the notable exception being the Public Accounts Committee—and, second, because all the committees had a majority of government members sitting on them. For these reasons a number of us felt misgivings about the way in which the committees would perform and whether they would work as effectively as was hoped. It was certainly made clear as far as the study of spending estimates was concerned that the work of the opposition parties in the house would be done by these new committees. The fears to which I have referred, namely, that the committees would not be able to carry out their work properly have now been realized, though, as is often the case in parliament and elsewhere, not in the way which had been expected.

I should like to make a few remarks on the subject of the Transport Committee in particular, in connection with which I have had certain responsibilities. I should also like to make some reference to the Standing Committee on External Affairs and National Defence. It is true that the Transport Committee has been faced with certain problems, but I should like to make it clear that as far as I and my hon. friends are concerned we do not put the blame for these difficulties on either of the chairmen who have presided over that committee up to now or, indeed, on any of the government members of the committee. So far as we are concerned the hon. member for LaSalle (Mr. Lessard) and the hon. member for Manicougan (Mr. Blouin) conducted themselves in the most exemplary manner. I think they did very good work indeed. As for the government members of the committee and, indeed, all members of the committee, they worked very hard and very seriously and did their work objectively as far as I was able to observe. With the exception of one or two occasions which were not the fault of anyone within the committee itself, committee members did their work in a sincere, hardworking manner and with a minimum of partisan politics. I believe I can say this without fear of contradiction.

I believe the Transport Committee would never have experienced some of the problems it encountered on one or two occasions had it not been for outside interference by, it would appear, on one occasion—and certainly it is the case on this occasion—the leader of the house.

Mr. Macdonald (Rosedale): On a question of privilege, Mr. Speaker, the hon. member for Oxford has just uttered a falsehood. He said that on a previous occasion there had been interference on my part. The Committee on Privileges and Elections clearly established that I had nothing to do with the proceedings of the Transport Committee, and this was acknowledged by all the members of that committee, including members of his own party. I hope he will withdraw the insinuation that I attempted to control the committee at that time.

Mr. McGrath: On a point of order, Mr. Speaker—

Mr. Deputy Speaker: Order. A question of privilege has been raised by the President of the Privy Council and I take it the hon. member for Oxford was about to respond.

Mr. Nesbitt: I was just about to comment, Mr. Speaker. As I understand it, no report from the Committee on Privileges and Elections has yet been approved by the house. The subject was dealt with by that committee to some extent, of course, but as far as I know—and I was a member of the committee—the report has not been concurred in unanimously at all.

Mr. Macdonald (Rosedale): It was concurred in by the committee.

Mr. Nesbitt: There may have been a committee report but it certainly was not unanimous. I am speaking from memory at the moment. In any event, it seems that the

President of the Privy Council is unduly sensitive in this regard.

Mr. Macdonald (Rosedale): I just have a regard for the truth.

Mr. Nesbitt: Let the hon. gentleman keep still for a moment. I realize he is having difficulty in containing himself but I would remind him that when he is dealing with members of the opposition he is not dealing with members of his own caucus whom he can shut up at will.

Some hon. Members: Hear, hear.

Mr. Nesbitt: If the President of the Privy Council would pay a little less attention to some of his friends, with whom he seems to be carrying on a conversation, and more attention to what is being said I think he would find I referred to the first instance of difficulty in the Transport Committee as arising from a suspicion of interference. Certainly that suspicion existed. Among other things, it led to the matter being referred to the Committee on Privileges and Elections. At one time—and this is on record in *Hansard*—the President of the Privy Council made reference to the committee in this house, saying there was information that certain things had taken place. This, not unreasonably, caused concern among opposition members and the incident was the subject of an inquiry before the Committee on Privileges and Elections. When the committee's report is presented and probably debated, more of these circumstances will perhaps be brought to light and placed in better perspective. This point may be open to question if the President of the Privy Council feels so sensitive about it. That is his view, of course.

But in the second instance there is no doubt there has been interference or attempted interference with this committee by the hon. gentleman. First, as Your Honour is well aware, the President of the Privy Council attempted to do so by means of a point of order which proved to be not a very substantial one. Now he has attempted to do indirectly, by moving an amendment to the motion to adopt the committee's report, what he could not do directly. It seems a great pity to me that he should seek to do so in view of the work which has been done by the Transport Committee in particular as well as by other committees.

• (3:50 p.m.)

The Transport Committee made a rather unprecedented trip in order to gain information for the government and the house. It took a trip recently on instructions from the house to look into transportation problems in the Atlantic provinces. I understand that the Committee on agriculture, the Committee on Indian Affairs and Northern Development and other committees are taking similar trips. I think this is very good, Mr. Speaker. These trips involve a great deal of time on the part of members of these committees who are away from their duties and the house. Exclusive concentration of effort is required in this regard. They involve considerable expense to the house.

I think this work and expense are justified, Mr. Speaker. These committees are being given additional work and responsibility. Committees I have been associated with have done their work well, objectively and with a minimum of partisanship. It is a pity that when reports are brought in they are obviously interfered with by the government. In this particular case there was interference by the blunt instrument of the government, the President of the Privy Council. There were suspicions in the Transport Committee that the President of the Privy Council was acting on behalf of others, perhaps members of the Canadian Transport Commission who are former members of this house.

Some hon. Members: Shame.

Mr. Nesbitt: It is a shame, I agree.

Mr. Deputy Speaker: Order, please. I draw the hon. member's attention to the fact that the rules of relevancy restrict the debate at this point to the content of the report. While I appreciate that the hon. member has had a much longer experience in the house than I have, I think it is in the best interests of the procedures of the house that we follow the rules of relevancy and restrict our remarks as much as possible to the content of the report.

Mr. Nesbitt: I quite agree with Your Honour. I think the remarks I made concerning the subject of committees and committee reports have been highly relevant. I will not continue with further remarks along this line if you feel they are out of order. I will continue in a different vein.

It seems a pity that recommendations carefully drawn up by members of the Transport Committee are disregarded. It is a waste of time for committees to work hard and travel

round the country if their recommendations are to be tossed aside at the whim of the government. An example is the report of this committee. The government was well aware that this committee was in the Atlantic provinces and would be presenting a report on its return. Before the committee had an opportunity to submit its report, the government made its decision regarding the Prince Edward Island causeway. They did not consider any recommendations the committee would have in that regard.

An hon. Member: They did not have to.

Mr. Nesbitt: An hon. member said they did not have to. Of course not. The government is omnipotent and all-powerful. When the government sends a committee on a trip it does not have the courtesy to wait for the committee to return before making decisions.

An hon. Member: How do you know? You were not there.

Mr. Nesbitt: The hon. member no doubt is trying to make political hay. I happen to be a member of the Standing Committee on External Affairs and National Defence and was in Europe at the time.

The substance of the report of the Transport Committee concerns the passenger service of the Newfoundland railway. I do not intend to deal with the substance. Others of my colleagues will do so in more detail and at greater length.

Mr. Knowles (Winnipeg North Centre): That is a cheerful prospect.

Mr. Nesbitt: It may be cheerful for some and not so cheerful for others. The government is never obliged to accept the recommendations of any committee. When we are starting out with a new set of rules, powers and authority for committees I feel the government should bend over backwards in trying to accept and follow these reports. If the government had certain views on a matter being studied by the committee it could have made formal representations to members of the committee, which would have avoided all this trouble.

It is quite clear that the lines of communication between the cabinet and the Canadian Transport Commission have somehow got fouled up. If the government had made its views known to members of the committee, some compromise arrangement could have been worked out. I am in no way attaching any blame to the chairman. It is quite obvious he is not to blame. Had the government attempted to transmit its views, this waste of time in the house could have been avoided.

As I mentioned before, very sincere and hard work has been done by the chairman and members of the Transport Committee. The same applies to other committees of which I have knowledge. This new work is being carried out by the committees at a very great cost to the taxpayers. The government should keep itself better informed of what is going on in the committees.

It is quite clear the cat is now out of the bag. It is not a very nice cat. It is a big, scruffy alley cat. The alley cat I refer to is the government's intention to toss aside committee reports without inquiring what the committee is doing. If this is going to continue, members of this house will be perfectly justified in feeling that their work on committees is a waste of time.

The government should not toss aside committee reports without taking the trouble to find out what is going on. Many weeks of hard work have been put into these reports and the taxpayers' money is being spent so that the members of these committees can travel. Most of us could be better employed looking after our correspondence and doing other work in the house. If this kind of thing continues, I see very little hope for the committee system. Government members can take what they wish out of this, but to say that if it continues a great many members may feel it will be a waste of time to go to committee meetings. I hope the government will bear these observations in mind, pull up its socks, and make the committee system work a little better.

• (4:00 p.m.)

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I must first refer to the opening remarks of the government house leader when he said that he had not interfered previously in the work of any committee. As has been mentioned by the hon. member for Oxford (Mr. Nesbitt), he did interfere on a previous occasion in the house when a question was put to him, as recorded at page 3587 of *Hansard* for December 6, 1968, when he said:

> I have not studied this; I am advised that the resolution was passed but that it was out of order.

I have been around long enough in public life at the municipal, provincial and federal levels to know what interference means, and that was interference. In the present case we

have interference of the worst kind, and the minister cannot evade that charge.

I am not too sure whether the amendment he has introduced has been accepted, but I will not be surprised if an additional amendment is proposed by a member of the committee. However, the fact remains that the President of the Privy Council (Mr. Macdonald) said that the Transport Committee should not have set aside an act of parliament. No one on that committee had any intention of setting aside an act of parliament. The basic fact is that we made a recommendation to the house, and as a recommendation it should not cause any problem for the government house leader.

Committee members had no intention of saying that the Canadian Transport Commission should not be entitled to carry out its obligations. We know what the particular order of that commission said, and we know that it has not really been implemented. If any standing committee is to have a useful function in parliament then surely a recommendation submitted by it should be accepted.

As an example I refer to a recommendation which came to this house from the Standing Committee on Transport and Communications on December 3 last. The committee said in its report of that date:

> Your committee recommends that its order of reference be enlarged allowing it to consider the following—

That was in the second report of the standing committee, and the next day the chairman of the committee moved that that report be concurred in. That was just a recommendation to the house, and there is absolutely no difference between that type of recommendation and the last report of the committee with which we are now concerned.

The recommendation of the committee at that time was that it be allowed to consider:

> The problems of transportation in the Atlantic provinces.

If the house leader was concerned about that recommendation he should have raised the matter at the time the second report of the committee was submitted and should not try to play around now with words in order to gain a particular point he wishes to make.

It is important that we take a close look at the directions given to the committee by the house before the committee went on its trip to the Atlantic provinces, as recorded in *Votes and Proceedings* for Friday, January 17:

> On motion of Mr. Macdonald (Rosedale), seconded by Mr. Hellyer, it was ordered,—That the Standing Committee on Transport and Communications be empowered to consider and report on the problems of transportation in the Atlantic provinces, and that, for the purposes of its inquiry, the Committee be empowered to adjourn from place to place within Canada and the Clerk and the necessary supporting staff be authorized to accompany the committee.

If it was the intention of the cabinet to exclude rail transportation from the committee's terms of reference then that should have been specified in that motion. I suggest it would be advisable for hon. members opposite to take a look at exactly what the word transportation means. In the Dictionary of Sociology and Related Sciences the definition of transportation is:

> The carriage or removal of persons or things by a conveyance on land, water, or in the air e.g., by beast, human or animal drawn sledge or vehicle, boat, railroad, automotive vehicle, or aircraft. Also, the material instruments involved.

I suggest that is what we went to the Atlantic provinces to study. The second definition of transportation that it gives is:

> A method of punishment originally devised by England for the most hardened criminals. It had a precedent in that country in the practice of outlawry whereby certain persons could escape hanging by abjuring the realm.

I suggest that the government house leader should take to heart that second definition of transportation and leave this house in the light of his actions over the last two days.

When the committee visited the Atlantic provinces the whole concept of transportation had to be taken into consideration. Members of the committee knew at that time that a bill was before the House of Commons dealing with growth areas, and transportation policy must be considered in the context of growth areas. If the government is really concerned about the problems of slow growth areas it must realize the real meaning of the word transportation. It must realize that good transportation can be very helpful to growth areas.

We know that the recommendation made by the Standing Committee on Transport and Communications was unanimously adopted by that committee. I suggest it is a myth to pretend that the members of the committee who were absent would have voted otherwise. We know that the house leader did not communicate with anyone not to allow this particular

motion to be adopted, at least so far as the records are concerned.

In the records of the Transport Committee there is reference to a press release from the Canadian National indicating that the company was going to leave the passenger train in service. In addition, Canadian National filed with the committee a letter under date of March 14, 1969, and I would like to read a portion of that report dealing with Newfoundland passenger train service:

> Throughout the winter we have been keeping a close check on the situation and as the April 15th date approaches, which is the date on which the Commission must make its final disposition of the matter, we are in the process of reassessing the situation. This, basically, was the intended import of the recent statements by Newfoundland Railway officers in response to inquiries. From the recent statistics that I have it will be apparent that there has been a very heavy response to the bus operation by the people of Newfoundland, and in light of this our operating people are examining the position regarding the number of buses that will be required during the coming months. In view of this, we have in contemplation the possibility of having the train services extended for a short period beyond April 15th.

● (4:10 p.m.)

I conclude with these words:

> —it is not our intention that the train services be continued indefinitely.

If Canadian National Railways as a crown corporation can take unto itself the right to decide when that particular passenger train will be discontinued, then I say in all sincerity that if this committee, as a creature of the House of Commons, does not have the same right then every committee of the house might just as well be disbanded.

Let us take a look at Board Order No. R-2673. I shall read only a portion of the fifth part:

> —it may upon notice to the applicants and to all parties who appeared before it in December, 1967, reconvene the hearing to consider whether in the exercise of its general powers under the Railway Act, it should impose further conditions to be met prior to the discontinuance of the passenger train service or direct the adoption of such measures as may be necessary to ensure the adequacy of the bus service.

Surely anyone who is willing to consider the pros and cons of the situation will realize that we have as much right to make recommendations to the House of Commons as anyone else in respect of adopting the recommendation of the Canadian Transport Commission. We are not going beyond our line of authority. We have as much right as Canadian National Railways to make the decision that has been made. I agree with the decision. I believe it is an excellent decision other than the fact that I do not agree with the short-term continuation. I believe this too will have to be taken into consideration by the Canadian Transport Commission at a later date. It would appear that somewhere along the line there must have been some direction given to the Standing Committee on Transport and Communications. I hope the cabinet will not decide, merely on the whim of the house leader, that they will not accept the recommendations we make.

Perhaps the only purpose of the standing committees at this time in the House of Commons is to give the backbenchers of the Liberal party something to do. This was stated by one of their members on a television show. But if the backbenchers of the Liberal party do make a decision that the cabinet is not in favour of, the cabinet will not allow it. If I were a backbencher of that party I would dissociate myself from any committee of the house where such a situation arises. I do not want to serve on committees if every recommendation is to be considered in the way this recommendation has been treated by the house leader. I think he should take a very close look at himself in the mirror this evening to see why he has taken the position he has in respect of this subject.

I assure the minister that there was no intention to have a debate on this matter. It was only through the intervention of the house leader that it became necessary. I should like to refer to a situation which developed two years ago. On January 19, 1968, the seconder of the motion of the house leader today, Mr. Olson, asked this question:

> Has the government received a request that the Governor in Council reverse the decision of the Board of Transport Commissioners which allowed the C.P.R. to abandon the passenger service known as the Dominion? If so, will the government grant a hearing to reconsider this decision of the Board of Transport Commissioners?

The answer was:

> The Governor in Council has a duty under the law to hear any appeal from the decision of the Board on matters of fact. There has been notice that there will be an appeal and it is the intention of the government to hear any appeal that may be made as expeditiously as possible.

I believe it is absolutely a must that the members of this house realize what section 53 of the Railway Act says. In this section it is very apparent that the Governor in Council has the right to take action on his own initiative. It is apparent that rather than embarrass themselves by failing to take action the

government would rather foist the responsibility on the committee which was set up to look into this transportation problem. I should like to read in part section 53(1) of the Railway Act:

> The Governor in Council may at any time in his discretion, either upon petition of any party, person or company interested, or of his own motion, and without any petition or application, vary or rescind any order, decision, rule or regulation of the Board—

That is as far as I shall read. It goes on with other language having to do with something not connected with this point. I suggest that the members of the cabinet, if they were sincere about dealing with the transportation problems of the people of Newfoundland, would initiate on their own an appeal to set aside the ruling of the Canadian Transport Commission.

In view of the fact that a committee was set up to go to the Atlantic provinces to look into the transportation situation, I believe the government has done a disservice to the people of Newfoundland on their 20th anniversary, as was mentioned yesterday by the hon. member for St. John's East (Mr. McGrath). I suggest that surely deep down they should realize that they should do something of their own volition instead of waiting for something else to happen in this regard. They must realize that on the very same day the committee filed its report to which exception is taken, at least in respect of a part of it, the cabinet itself introduced a bill extending the freeze on maritime freight rates. I wonder whether it was a coincidence that both these things appeared on the same day.

At public expense a committee went to the Atlantic provinces to look into their transportation problems, including maritime freight rates, and on the same day it made its report the government introduced a bill. I believe this is beyond mere coincidence. The same thing applies in respect of the causeway. Many briefs were presented to us while we were down there. We all know the feelings of the people there concerning the causeway. Yet the government did not have the grace to await our return before making its announcement in respect of the causeway. This is a black mark against the government which will not be forgotten by the people of the Atlantic provinces.

I should like to conclude by imploring the members of the Committee on Transport and Communications to realize that they have a responsibility to the people who presented briefs to us during our tour of the Atlantic provinces. If we now to fail to make a report of any kind whatsoever, I suggest that every citizen of the country should say that never again do they want a committee to tour their area to find out at first hand what is going on. The people who presented briefs to us were sincere. They had been waiting for a year to do so. Many of them considered that the appeal they made to the committee was logical. Surely no one in Canada should have to be a lawyer to the nth degree, or whatever the legal terminology may be, to explain a situation, nor should we expect a citizen of this country to have to dig into the law books in order to become a part of this country.

I say that the people of this nation are entitled to far more consideration than the house leader has given them by asking the committee at this time to change what we agreed to unanimously, and the point should be made very clear that it was a unanimous decision of the committee. There may have been two members who did not vote but the decision of the committee was unanimous.

I should also like to mention the fact that the last motion with regard to the submission of the report was made by myself, in which the chairman was asked to report our concurrence in that report. The chairman was quite willing to report our concurrence in that report until it was held up by the house leader. I think this is a slam against the chairman and against every committee. I suggest that the Committee on Transport and Communications should be abolished completely if this is the treatment that can be expected from the cabinet.

• (4:20 p.m.)

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I should first like to deal with the point of order raised by the hon. member for Winnipeg North Centre (Mr. Knowles). In this regard I should like to introduce an amendment to the motion. I move, seconded by the hon. member for Gloucester (Mr. Breau):

> That the said report be not now concurred in but that it be recommitted to the Standing Committee on Transport and Communications with instruction that they delete from the report the paragraph thereof which reads as follows:
>
> "Your Committee recommends that the Order of the Canadian Transport Commission, authorizing the Canadian National Railways to suspend rail passenger service in Newfoundland on April 5, 1969, be left in abeyance, until your Committee tables its complete report in respect to this question."

Mr. McGrath: Mr. Speaker, on a point of order, I understand there is already an

amendment to the motion before the house. What the hon. member for Notre-Dame-de-Grâce is doing, in effect, is moving an amendment to an amendment.

Mr. Deputy Speaker: Order. The position taken by the Chair earlier was that in light of the objections taken by members of the opposition the original amendment was held defective and therefore was disallowed. The hon. member has moved an amendment and I understand that if I put the amendment now I take the floor from him. Since he wishes to continue his remarks I will put the amendment when he has concluded.

Mr. Allmand: Mr. Speaker, in addition to putting forward the amendment to amend the report I also want to make some remarks on the matter itself.

With all due respect to the hon. members for St. John's East (Mr. McGrath), Oxford (Mr. Nesbitt) and Moose Jaw (Mr. Skoberg), I completely disagree with some of the points they make. When the President of the Privy Council rose to speak this afternoon, he pointed out that we had set up the Canadian Transport Commission in the last parliament to do certain jobs. One of these jobs was to take under advisement applications for the abandonment of rail and rail passenger service.

At that time I was a member of the transport committee and I recall we discussed the bill at great length. When it was voted on it was supported by the Conservative party, the New Democratic party and the Creditiste party. All parties in the house in the last parliament supported the idea of setting up a commission, which was a continuation of the board of transport commissioners, to deal with matters such as this so that we could take them out of the political arena. If we accepted what is being put forward today in this report, we would be accepting the general principle that even although parliament had set up boards to do certain jobs in a non-political way parliament still has the right to give directions and make recommendations to such boards when questions are under consideration.

Let me apply this principle to other boards that parliament has set up to do particular jobs. I refer to the Canada Labour Relations Board, the Tax Appeal Board and many others. They were set up to do certain tasks that parliament did not want to do itself and because parliament thought that the interests of the Canadian people would be better served by them being done in this way.

If members of parliament either in committee or in the house were to make recommendations to a board while a matter was under consideration by that board, indicating which way parliament thought the board should rule on the question, it would be a travesty of parliament's own decision to set up the board in the first place. As the President of the Privy Council said this afternoon, we would be attempting to do by resolution something different from what we had already done by statute. In the last parliament we set up a commission by statute to do this job, and I think we should let it do it.

It has been said that there is an appeal provision in the Railway Act that was amended in the last parliament whereby decisions of the Canadian Transport Commission can be reviewed. It is very significant that no appeal was made by persons or groups in Newfoundland against the decision of the Canadian Transport Commission to discontinue the Newfoundland rail passenger service. Yesterday I believe the hon. member for St. John's East said that he and five other Conservative members of the house did make an appeal. If that is so, then theirs was the only appeal.

I should now like to turn to the arguments that were put forward by the hon. member for Oxford and the hon. member for Moose Jaw. First of all, the hon. member for Oxford suggested that in making this report the committee was, in effect, making an appeal. I submit that is nonsense. Nowhere in the report is it suggested that we are making an appeal to the Governor in Council. Nowhere in the debate leading up to the adoption of the report was it suggested we were making an appeal. What the hon. member is trying to do is to rationalize a bad report.

In addition, the hon. member for Moose Jaw said that when people came before the committee in Newfoundland and recommended that the passenger service be continued they thought they were making an appeal. That is incorrect. I was on that committee during the tour and I pointed out to them that there was an appeal in law, that if they wished to make an appeal they had to do so to the Governor in Council.

Mr. Skoberg: A point of order, Mr. Speaker.

Mr. Deputy Speaker: Order. The hon. member for Moose Jaw on a point of order.

Mr. Skoberg: I would question the hon. member's reference to my being incorrect in my observation regarding the trip. The evidence will prove—and we have the transcripts of the evidence—that people were under the impression in many cases that they were making an appeal to our committee.

Mr. Deputy Speaker: That is a matter for debate, not a point of order.

Mr. Allmand: It is true that when some people came to the committee they perhaps thought they were doing enough to initiate an appeal, but it was pointed out to them very quickly that it was not enough. It is also significant that many of the witnesses who came to the committee and suggested that the railway passenger service be continued were representatives of unions affiliated with the Canadian Labour Congress who have a whole raft of lawyers and advisers. If they thought that presenting a brief to the Transport Committee was equivalent to appealing under the Railway Act, then they certainly have bad advisers in their unions. It is obvious that they looked at the law, felt that they did not have good grounds for an appeal, and then decided to approach the Transport Committee—

Mr. Carter: On a point of order, Mr. Speaker—

Mr. Allmand: —or they should have known that—

Mr. Deputy Speaker: Order. The hon. member for St. John's West on a point of order.

Mr. Carter: I think the hon. member is as aware of the facts as I am. The leader of one union in Newfoundland did make an appeal to the Prime Minister of Canada (Mr. Trudeau). How high do you have to go to appeal?

Mr. Deputy Speaker: Order, please. That is not a point of order.

Mr. Allmand: During the hearings in Newfoundland it was pointed out that although one union leader had sent a letter to the Prime Minister this was not sufficient to constitute an appeal under the Railway Act. I think that if he had consulted the legal and other advisers to the trade union movement he would have been told that that was the case.

On the point at issue, whether or not parliament or a committee of parliament should make recommendations to a board which is a court of record charged with making certain decisions, it is my belief we should not make such recommendations if we have decided beforehand to set up a board for that very purpose. With respect to the statement that this report represents the consensus of the committee or is a unanimous report and that to send it back to the committee would be wrong, I submit that the report does not represent the feelings of the majority of the committee who visited Newfoundland, because the day the committee made the report, five or six of the committee members had, unfortunately, to be absent on other committee work or to attend to serious business and could not go the committee.

• (4:30 p.m.)

Mr. Skoberg: On a question of privilege, Mr. Speaker—

Mr. Allmand: I and two other members of the house—

Mr. Deputy Speaker: Order, please. The hon. member for Moose Jaw on a question of privilege.

Mr. Skoberg: I ask whether a majority of the members at any committee meeting would not make a majority report if they all voted unanimously for it.

Mr. Deputy Speaker: Order, please. That is not a question of privilege.

Mr. Allmand: Mr. Speaker, when the hon. member for Moose Jaw was speaking I let him make his speech; I let him say everything he wanted to say. Unfortunately, he insists on intervening at this time to raise points that are not really relevant to what I am saying.

Mr. Skoberg: Stick to the facts.

Mr. Allmand: All the members who visited Newfoundland, heard the briefs and studied the question unfortunately were not at the committee meeting and did not consent to the report the day it was adopted. The hon. member for Oxford, the hon. member for Annapolis Valley (Mr. Nowlan) and myself were away with the External Affairs Committee. I certainly would never have consented to this report, and I have been on the transport committee since 1965.

I was with the committee in Newfoundland and the maritimes, and I do not agree with the recommendations of this report. Therefore to suggest that by sending the report back to the committee we would be doing a disservice

to the committee system, or to the committee itself, is ill-founded. If we are to have a report which really represents the knowledge and feelings of those who went to Newfoundland, we must send this report back to the committee. How can hon. members of the opposition say that this report represents the feelings of the committee when so many who went to Newfoundland and studied the question were not in the committee the day the report was adopted? Opposition members are trying to sneak through a report which really does not represent the feelings of the majority of the committee.

Some hon. Members: Shame.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, would the hon. member permit a question? I just want to be sure that I understood him. Is he telling me that a unanimous report of a committee does not represent the views of the majority of the committee?

Mr. Allmand: I am saying, Mr. Speaker, that the report, even if it is unanimous, does not represent the opinion of those who went to study the problem in Newfoundland and the maritimes, because unfortunately a large percentage of the members of the committee were not there the day the report was adopted in the committee.

Mr. Benjamin: That is not the committee's fault.

Mr. Allmand: If it is not the committee's fault, do not try to say that the report represents the opinion of those who were in Newfoundland. It does not represent their opinion.

Mr. McGrath: Mr. Speaker, would the hon. member permit a question? I know he would not want to mislead the house and leave the wrong impression on the record. However, the hon. member is speaking erroneously as to what took place the night the committee drafted the report. He was not there and consequently he is not in a position to speak authoritatively on what took place. In point of fact, the night the report was prepared nine Liberal members were present and those nine members had accompanied the committee on its tour of the Atlantic provinces.

Mr. Allmand: I understand that is not so, Mr. Speaker. In any case, I do not think that is the question. The point was made that under our new committee system we give great weight to reports of committees. I agree with that. I think we should give great weight to the reports of committees. But I am concerned with the weight of argument and the facts contained in the report. We expect a good report to come from a committee. When a report comes from a committee, it is for parliament in the final analysis to decide upon those things which the report suggests. Parliament is not obliged to accept any report from a committee. Because there are so many committees we can serve on perhaps only two or three, and there are many important issues with which we cannot deal. As a result we leave it to a committee to study certain things in depth, and when they bring back a report we expect it to be well founded and to contain solid arguments from the committee's point of view.

In this particular case, as one who made the study in Newfoundland I find this report is very poor in its second recommendation because it suggests that we violate the principle of not making recommendations to a board, to a court of record, on matters which it has under its jurisdiction. My observations in Newfoundland lead me to say that from a transportation point of view the majority of the people are better served by the bus service than by the train service. The train service operated only three times a week. The bus service operates not only every day but has two trans-island and several local services every day. This service gives the people of Newfoundland a much wider variety of alternatives and a much better and faster schedule going from one end of Newfoundland to the other.

If this were a country of unlimited resources and could afford to continue the railway service even though very few people were using it, I would be all for it; I would say that we should continue the passenger rail service even though the majority of Newfoundlanders were not using it. But when we went before the people of Newfoundland they told us that their highest priority in transportation was trunk roads. If we are to use our resources in Newfoundland to the best of our ability, we cannot continue to support all modes of transportation when some are not being used by the public and are operating at great loss. We have to concentrate our transportation resources in those areas to which the government of Newfoundland gives highest priority, and it gives highest priority to the road service.

In my opinion, the only people who would be hurt by the discontinuance of the rail passenger service are the men who work on the railway. I suggest that in their case something

must be done. We cannot just stop this service and put these men out of work without finding them other employment. The C.N.R. has tried to provide them with alternative work in the bus service, but there are still some who will be laid off work. It is up to the railway and the government to make sure that they have work. But from the transportation point of view I submit that the bus service is providing better service to the people of Newfoundland. They recognize this because they are flocking in greater and greater numbers to the bus service and abandoning even more the rail passenger service.

In summing up, Mr. Speaker, I would like to repeat the argument made by the President of the Privy Council (Mr. Macdonald), that if we are going to set up boards and courts of record to do certain things it is wrong for us, while the board or court of record is making its decision or has under review a certain question, to make recommendations to it as to how it should reach its decision. What we are then doing is interfering politically in a situation which we have said should not be political.

I submit that for these reasons the second part of this report should be sent back to the committee where all those who made the trip to Newfoundland would have the chance to contribute to the report. I am sure we would then come up with a much better report which would receive the acceptance of this house.

• (4:40 p.m.)

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. I thought I would get the afternoon off so far as speaking is concerned, but with these amendments being moved it is not possible.

The reason the hon. member for Notre-Dame-de-Grâce moved this amendment was to correct the defect in the amendment moved by the President of the Privy Council. But I notice that he has made another change, and it is with respect to this other change that I raise my point of order. The amendment of the President of the Privy Council had the following words in it:

—with instruction that they have power to amend the same by deleting—

The hon. member for Notre-Dame-de-Grâce changed it to read:

—with instruction that they delete from the report—

I submit there is quite a difference between giving a committee the power to make a change and instructing it to make a specific change.

Some hon. Members: Shame.

An hon. Member: It would make their work a lot easier.

Mr. Knowles (Winnipeg North Centre): It would also spell the death of committees that much faster.

An hon. Member: Do you want to move an amendment to the amendment?

Mr. Knowles (Winnipeg North Centre): I shall ignore these voices that come from members in their seats. Citation 323(2) of Beauchesne's fourth edition reads:

A report from a committee cannot be amended by the house, but it must be referred back to the committee.

We were told a number of times in the last couple of days that you cannot do indirectly what you are not permitted to do directly. That is precisely what this amendment does. It amends this report on the floor of the house. It says that this report must come back to us with the final paragraph deleted.

I submit that the amendment as the President of the Privy Council moved it in the first place was to give the committee power to make the proposed change. I am aware of the fact that citation 322 in Beauchesne's fourth edition seems to say that the house can give an instruction to amend the report in any respect. But I think you, sir, have been in this house long enough, and I have been here a little longer, to know that you have to go to the source of just about everything that Beauchesne put in his book. In this case he tells us where to go, to Bourinot's fourth edition at page 480. Actually the paragraph in question starts on page 479. It is a long paragraph and I will only read the pertinent parts, the first of which is as follows:

A report may be referred back to a committee for further consideration, or with instructions giving them power to amend the same in any respect. In this way a committee may regularly reconsider and even reverse a decision it has previously arrived at.

Then if you go through all of the words in that paragraph and come to the end you find the following sentence:

Consequently the correct procedure in all analogous cases is for the house to give the committee instructions which will enable it to consider the whole question again.

I do not favour this amendment at all but I think the government should at least put it in

proper form, and I submit that it is not in order for the house to be asked in effect to amend the report. We are not allowed to do that. It is out of order for the house to be asked to tell the committee precisely what it shall do.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): All that the house has the right to do is to give the committee power to make any change it wishes. It can even spell out what particular power it is giving to it. I submit that the form of the amendment in the first place was correct, but the form of the amendment as submitted by the hon. member for Notre-Dame-de-Grâce is out of keeping with the usual way of doing things and violates the basic principle that you cannot amend a committee's report on the floor of the house. I suggest to hon. members opposite that they put their amendment in the correct procedural form.

Mr. Macdonald (Rosedale): Mr. Speaker, I should like to speak on the point made by the hon. member. As he indicated Beauchesne is quite categorical. I suggest it is a sophistry or quibbling on the part of the hon. member for Winnipeg North Centre. The citation is perfectly clear. It reads:

> When the motion to concur is proposed the report may be referred back to the committee for further consideration or with instruction to amend it in any respect.

There is none of this sophistry about the word "power" as opposed to the word "instruction". As Beauchesne indicates, it is a direct instruction.

Mr. Knowles (Winnipeg North Centre): That is a misquotation of Bourinot.

Mr. Macdonald (Rosedale): It is a direct quotation of Beauchesne. Why does the hon. member not open his ears?

Some hon. Members: Temper!

Mr. Knowles (Winnipeg North Centre): What I said was that Beauchesne is misquoting Bourinot.

Mr. Macdonald (Rosedale): I was not misquoting Bourinot, I was directly quoting Beauchesne. The hon. member for Winnipeg North Centre is coming through with great high fidelity today, but that empty sound box of his makes him come through a little more strongly this afternoon.

[Mr. Knowles (Winnipeg North Centre).]

The point is that there is no limitation, as the hon. member seeks to invent, on the power of the house to give instruction in this regard. The house has full power to instruct the committee to make a deletion of the kind that is referred to in this amendment. I should like to refer to a citation at page 479 of Bourinot's fourth edition, and particularly to footnote (g) on which the citation is founded, part of which reads as follows:

> It was then moved and agreed that the question be referred back, with instructions to present a plan of reporting to the house.

There is an example of specific instructions by the house to a committee. If the house wishes to re-open the whole question and review the entire report it can say so, but it is also in order for the house to instruct the committee to deal with one specific point in the report, the only one on which there is any real question.

Mr. Baldwin: This is a most appropriate day, April 1, to have proceedings of this nature and I only hope, if I can correctly prophesy what will be done, that if the amendment moved by the hon. member for Notre-Dame-de-Grâce is ruled out of order the government, even on April 1, might be able to come up with the right form of amendment the third time.

If Your Honour will direct your attention to citation 322, I think the last sentence outlines what the house cannot or should not do, and the second part of the sentence indicates the method which can be adopted when the house wishes to send back to a committee for its consideration part of a report which it feels should be changed, amended or deleted. It reads:

> It is not competent for a committee to reconsider and reverse its own decision—

Consequently the house can direct it to do so.

> —but if the House resolves that such reconsideration is necessary—

Here I ask Your Honour to note carefully the pertinent wording.

> —the correct procedure is for the House to give the committee instructions which will enable it to consider the whole question again.

The word used here is "consider", not "direct". I am reinforced in the view that this is the proper way to proceed because on turning to page 397 of Beauchesne I find form 95, "On Concurrence in a Committee Report", which

has apparently been accepted by the learned authority. It reads as follows:

> The question being proposed "That the Final Report of the Select Standing (or Special) Committee on ... be now concurred in,"
>
> Mr. ... moves in amendment thereto, seconded by Mr. ..., "That the said Report be not now concurred in but that it be recommitted to the Select Standing (or Special) Committee on ... with instruction that they have power to amend the same so as to recommend that—

This conforms to citation 322 which says that the house may recommit a report to a committee with instructions that they have power to amend the same so as to make recommendations.

• (4:50 p.m.)

Your Honour has either to make that choice or to accept the terms of an amendment which gives mandatory direction to the committee and under which freedom is taken away entirely from the committee. If this is the kind of procedure which the house contemplates when dealing with select or standing committees, their proceedings will be reduced to a travesty. If the government or any of its supporters wish to move the type of amendment which is acceptable to the house, all they have to do is turn to page 397 for a model. Anything which does not resemble this should not be accepted by Your Honour or by the house.

Mr. Deputy Speaker: I thank hon. members for their contributions to the discussion. I have in fact done some preliminary research in anticipation that this matter might be raised. The arguments put forward by the hon. member for Peace River and by the hon. member for Winnipeg North Centre raise points which need to be considered very carefully, but I suggest that there are citations other than those they have chosen which are categorical on this important question.

First, I should like to refer to the decision of Mr. Speaker Rhodes as found in Beauchesne's Parliamentary Rules and Forms, third edition, at page 690:

> When a motion is made for the adoption of a report of a committee it is competent for the House to adopt it, to reject it, or to refer it back to the committee with or without instructions.

A citation which is probably more relevant and more particular, and one which in this particular case I have to treat as decisive in deciding this question, is Beauchesne's citation 326 as it appears on page 252:

> The report of a Standing Committee should be considered final only when it is adopted by the House, because, until then, the House can refer it back to the committee with instruction to amend it in any particular.

I am therefore obliged to rule that the amendment proposed by the hon. member for Notre-Dame-de-Grâce is in order.

Some hon. Members: Hear, hear.

Mr. James A. McGrath (St. John's East): Mr. Speaker, I am glad to see that the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) has at least scored one point today. I found it difficult to believe my ears when I listened to his speech in this debate. If the leader of the house ever had any doubt about the significance of this day I am sure he was convinced, having heard the hon. member for Notre-Dame-de-Grâce, that this was really April Fool's day.

The hon. member made a number of points to which too much attention should probably not be paid because I am sure the house did not take them seriously. One of the points he made was particularly unfortunate, however, because I am sure he did not wish to leave the wrong impression on the record. He suggested that the committee's report did not reflect the true recommendation of the committee. I can only believe that the hon. member reached this conclusion because he was absent on the night the report was drafted. Otherwise, there is no accounting for the fact that notwithstanding his absence nine of his hon. friends in the Liberal party were present. Those members were very diligent members of the committee during its tour of the Atlantic provinces and, like all other members of the committee, they worked very hard in studying all the transportation needs of the Atlantic provinces as well as on the preparation of the preliminary report which is now being disputed by the leader of the house and the hon. member who are seeking to have it sent back to the committee.

This is not the first occasion on which this matter has been raised in this chamber. We tried earlier, in the course of the preparation of the second report of the standing committee. Concurrence in that report was moved in the house, but it did not contain one resolution which had been approved by the majority of the committee. That resolution, which was adopted by the committee on November 28 prior to the preparation of the second report, was not at all dissimilar from the second recommendation of the fifth report of the standing committee with which the leader

of the house quarrels so much. The resolution of November 28 stated:

> That the Canadian Transport Commission be requested to postpone the implementation of its decision to abandon railway services in Newfoundland until such time as the committee travels to Newfoundland to study the transportation problems of the Atlantic provinces.

That report was the subject of dispute in the house. It became the substance of a question of privilege on which I moved a motion. Mr. Speaker, in his wisdom, ruled that there was a prima facie case of privilege and referred the matter to the Standing Committee on Privileges and Elections. Why? Because the report did not contain the very resolution which is the essence of the second part of the fifth report now before the house, something which has again been challenged by the leader of the house.

The third report of the Standing Committee on Privileges and Elections which dealt with this matter is now before the house. We have asked on a number of occasions that the government bring this matter forward; it is order No. 54 under government orders. We made this request so that we might have the opportunity to debate the matter in the house. The request was denied.

Mr. Macdonald (Rosedale): May I ask the hon. member a question? Does he know that it is being called as the second order of business for today?

Mr. McGrath: I am glad it is being called as the second order of business for today. But if we could resolve the matter before us the debate on the third report of the Standing Committee on Privileges and Elections might become superfluous. The point I am making is that if it had been called earlier there would have been no necessity for the debate in which we are now engaged. The hon. member for Notre-Dame-de-Grâce says that the fifth report of the Transport Committee is a travesty. I say to him that if the house accepts the amendment the consequence will be a travesty of our proceedings and it will make a mockery of the committee system. I say this as one who has the honour to be a member of the Transport Committee, as is the hon. member for Notre-Dame-de-Grâce, the hon. member for LaSalle (Mr. Lessard), and the hon. member for Calgary South (Mr. Mahoney)—a very diligent and attentive member of the committee, I might say. These are the only members of the committee, I note, who thought it worth their while to be present in the house today for this debate. Apparently the others did not even consider it important enough to come here to defend the very report which they prepared and agreed to unanimously.

• (5:00 p.m.)

I compliment hon. members who have shown interest and attention in the house today. I was impressed with the work of the Transport Committee, Mr. Speaker. Notwithstanding what the house leader may try to interject, the Standing Committee on Transport and Communications has had two outstanding chairmen. If the house leader had left the hon. member for Manicougan (Mr. Blouin) alone, he would have been an outstanding chairman. Unfortunately the hon. member for Manicouagan took ill and was in hospital. We are all happy to know he has recovered and is back in the house.

The hon. member's recovery, Mr. Speaker, is a mixed blessing. During his stay in hospital the hon. member for LaSalle (Mr. Lessard) was appointed the new chairman. He has been an outstanding chairman of committees of the House of Commons. He has been an outstanding member of the house for the past 20 years. It was an affront and an insult to the hon. member for LaSalle not to permit him to stand in his place today to defend his own report. One would think it was the house leader rather than the committee that sponsored the report. I hope before this debate concludes the chairman of the committee will have a chance to defend this report which was adopted unanimously by the committee.

I did some research on the Standing Committee on Transport and Communications. I was rather impressed with the record of the committee. Since last September the committee has sat for 26 days, a total of 85 hours and 15 minutes. Following the reference from parliament of January 17, 1969, the Standing Committee on Transport and Communications met for 16 continuous days, a total of 65 hours. Those hours were confined mostly to the committee's study of the transportation problems in the Atlantic provinces which the house leader finds so amusing. I can assure him if he lived in the Atlantic provinces he would not find them at all amusing.

During that tour the committee received 105 briefs and heard 174 witnesses. There was no time for relaxation or entertainment of any kind. The committee had to work morning, noon and night in the four capitals of the Atlantic provinces. The proceedings of the committee during its tour of the Atlantic provinces still have not been printed and yet

the committee is expected to prepare a report without having the evidence.

I want to emphasize to the house that this committee has been one of the hardest working committees with one of the most outstanding and hardest working chairmen in the house. The house leader has affronted the chairman and the committee by refusing to allow concurrence in the fifth report and by his despicable action this afternoon in not permitting the hon. member for LaSalle to defend his own report.

The hon. member for Notre-Dame-de-Grâce, in his haste to put both feet into it, neglected to mention a number of very important facts concerning the recommendation in relation to the Canadian Transport Commission. The Newfoundland House of Assembly on February 28 unanimously passed a motion calling upon the Canadian Transport Commission, the Canadian National Railways and the government of Canada not to implement its decision for at least two years.

This fact seems to have gone by unnoticed. It is strange that the cabinet minister from Newfoundland did not think it worth while to sit in on the debate this afternoon. I refer to the Minister of Supply and Services (Mr. Jamieson). He too has adopted the patronizing attitude toward the Atlantic provinces that symbolizes this government. This is much to his own shame because he is a product of the Atlantic provinces.

I regret that the minister from Newfoundland is not in the house today to state what he said to the Canadian Transport Commission when he was a member of this house in 1967. At that time he felt it incumbent upon himself, in the company of other colleagues who then sat on that side of the house, to appear before the commission and ask them to delay taking off the passenger trains for at least five years. That is what the hon. member for Burin-Burgeo said when he appeared before the commission. I am sorry he is not here to defend the very worth-while stand he took before the Canadian Transport Commission and perhaps to influence his colleagues.

Why did the Newfoundland legislature, which is dominated by the same party that shares the philosophy of the government, feel obliged to pass a resolution to this effect? They did so because they knew this was the wish of all the people of Newfoundland. They knew that to truly represent the people of Newfoundland in their sovereign legislature they had no alternative but to pass such a resolution. The federal government's action was a vindictive political affront to the people of Newfoundland because they did not support the Liberals in the last federal election. That is the only conclusion one can come to.

• (5:10 p.m.)

Mr. Allmand: May I ask the hon. member a qustion?

Mr. McGrath: My time is limited.

Mr. Allmand: Would the hon. member tell the house whether the government or the legislature of Newfoundland lodged an appeal with the Governor in Council in accordance with the Railway Act, in the same manner as was done by several of the western provinces when the old Board of Transport Commissioners allowed the Dominion train to be discontinued in 1966?

Mr. McGrath: Mr. Speaker, I am surprised at the hon. member who is so learned in the law. The parliament of Newfoundland is a sovereign parliament and it does not have to appeal to any court. It passed a resolution; presumably that resolution would be passed on to the Clerk of the House of Commons or the Secretary of the Privy Council, but we have not been able to draw that fact from the government. I might add that the resolution which was passed concerned the jurisdiction of the federal government.

One can only conclude that a resolution passed by the sovereign parliament of Newfoundland would, in the normal course of events and through the normal channels, be passed on to the government of Canada. But just to safeguard the situation the six Newfoundland Members of Parliament sitting on this side of the house drafted an appeal under the provisions of section 53 of the Railway Act and sent it to the Prime Minister (Mr. Trudeau) on March 27. We did so because there seemed to be some doubt about the sovereignty of the Newfoundland parliament and its ability to pass a resolution recommending something to the government of Canada. There seemed to be some doubt whether or not that constituted an appeal, just as the hon. member for Notre-Dame-de-Grâce questioned an official of the railway union when he produced a letter to the effect that he had appealed the decision by writing to the Prime Minister. The hon. member for Notre-Dame-de-Grâce said that that gentleman did not consult with legal counsel as to the proper way to lodge an appeal.

I am not a lawyer, Mr. Speaker, but section 53 of the Railway Act is very clear to me. It

contains two subsections, one providing for an appeal to the Governor in Council and the other for an appeal from a decision of the commission to the Supreme Court of Canada on a question of law. Nobody is appealing on a question of law, although I can produce evidence that there can be an appeal on a question of law. Section 53(1) states:

> The Governor in Council may at any time, in his discretion, either upon petition of any party, person or company interested, or of his own motion, and without any petition or application, vary or rescind any order, decision, rule or regulation of the Commission, whether such order or decision is made *inter partes* or otherwise, and whether such regulation is general or limited in its scope and application; and any order that the Governor in Council may make with respect thereto is binding up on the Commission and upon all parties.

That is very clear, Mr. Speaker. When the chairman of the railway union wrote to the Prime Minister he obviously had read section 53 of the act. Surely the members of the Newfoundland legislature were aware of section 53 of the Railway Act, just as the hon. members who have the responsibility of representing Newfoundland on this side of the house were aware of section 53 of the act. I would recommend to the hon. member for Notre-Dame-de-Grâce, if he has time on his travels, that he read section 53 before he starts making any legal or learned dissertations on it in this house.

Some hon. Members: Oh, oh.

Mr. McGrath: Mr. Speaker, I hope that some of the hon. members opposite who seem constrained to make unintelligent utterances from their seats will feel the same constraint to get on their feet and make an intelligent contribution to this debate.

The government house leader said that this report contravened a statute of parliament and that it was ultra vires—in fact, I forget all the legal jargon that was used. But, Mr. Speaker, we on this side are aware of the law of the land. We have read the statutes. We have read the preamble to the National Transportation Act which covers such a possibility and which states that Canada's national transportation policy is expressly declared to be subject to legal and constitutional requirements, and further that the National Transportation Act is restricted to subject matters within the jurisdiction of the parliament of Canada relating to transportation. This declaration is nothing more than an expression of the constitutional and legislative limitations placed upon the parliament of Canada, but it is an important declaration in that it cautions parliament to be at all times aware of these constitutional limitations in regard to legislation.

It may be that because of this awareness there exist certain areas of transport within which parliament cannot trespass. The act provides that one of the vice-presidents of the Canadian Transport Commission must be a barrister or advocate of at least ten years' standing at the bar of any province of Canada—this is referred to in section 7(2)—with very special powers upon any question of law that may arise during proceedings of the commission.

The Newfoundland railway passenger service is a part of what was known as the Newfoundland Railway. It was one of the assets of the government and of the people of Newfoundland which they brought into the union with them. As such the Newfoundland Railway consists of a form of mail, freight and passenger service, and as a consequence I submit that it is clearly outside the jurisdiction of this parliament, and I will tell you why.

The Newfoundland Railway is a specific, identified, and described mode of transport in the constitutional documents that cover the union of Newfoundland with Canada. I present this argument because the only thing we have heard from the house leader who has raised objection to this report is his contention that parliament does not have the authority to deal with the matter, that the matter is sub judice, that it is ultra vires, and everything else.

Even the Canadian Transport Commission, in its order authorizing the railway to withdraw from rail passenger service, referred to the Statutes of Canada containing the terms of union. I wish to quote briefly from the act of union in the 1949 Statutes of Canada as follows:

> At the date of union, or as soon thereafter as practicable, Canada will take over the following services and will as from the date of union relieve the province of Newfoundland of the public costs incurred in respect of each service taken over, namely (a) the Newfoundland Railway—

Just to clinch it, Mr. Speaker, on April 1, 1949, 20 years ago to the day, on April Fool's day, by Order in Council P.C. 1454 the Governor in Council entrusted to Canadian National Railways the operation and management of the Newfoundland Railway, and the operative

words of that Order in Council as it relates to this particular matter are as follows:

• (5:20 p.m.)

Therefore, His Excellency the Governor General in Council, on the recommendation of the Minister of Transport, is pleased to order that, effective April, 1949, the Newfoundland Railway, including rights-of-way, wharves, dry docks and other real property, rolling stock, equipment, ships and other personal property ... the title to which is vested in His Majesty, be and they are hereby entrusted in respect of management and operation thereof to the Company on the terms in the Canadian National Railways Act expressly specified, namely, that such management and operation shall continue during the pleasure of the Governor in Council—

This matter is a constitutional one which cannot be dealt with by any delegated authority of this or any other parliament. It can only be dealt with, in my submission and on the best advice I can get, by an act of parliament of the United Kingdom amending Chapter 22 of the Imperial Acts, 1949, cited as the British North America Act, 1949, by an amendment of the Parliament of Canada act entitled an Act to Approve the Terms of Union of Newfoundland with Canada Statutes of Canada, 1949, and by amendment of the statutes of the province of Newfoundland. These three parliaments and these three only have the authority which the Canadian Transport Commission has now taken upon itself.

Mr. Allmand: May I ask the hon. member a question?

Mr. McGrath: I would rather not at this point because I am making an argument. I will allow the hon. member to ask any question when I take my seat. The union of Canada with Newfoundland was entered into as a legal act and the terms were negotiated by the commission-type government we had prior to 1949. The successor to that commission-type government is the government of Newfoundland which is the Governor in Council and the legislature of New Newfoundland. They were indeed exercising their authority in this matter when they passed their unanimous resolution. It is again emphasized by section 1 of the constitution, the British North America Act, 1949, that these terms prevail as law against any power Canada may have under section 91 or other sections of the British North America Acts, 1867 to 1946.

I have already referred to Term 31 under clause A of the terms of union of Newfoundland with Canada. The parliament of Canada has no constitutional power to eliminate all or any of the public services provided at the date of union by the Newfoundland railway as a mode of transport. That, in my submission, is clearly spelled out by the terms of union in the statutes of Canada, the statutes of Newfoundland and the statutes of the United Kingdom. So rather than send this matter back to the Standing Committee on Transport and Communications where it will die, and I can promise a slow and unnatural death, the government would be better advised to refer it to the Supreme Court of Canada to have this question of law settled. That would be perfectly within their right under subsection 2 of section 53 of the Railway Act.

What will be the effect if the report does go back to the committee? The government house leader will have his way as he is determined to. The distinguished hon. member for LaSalle will resign, because that is all he can do. He must resign. He cannot go back to the committee again. The government has questioned his report and has signified this clearly and without a shadow of doubt by moving to send the report back. The government has voted no confidence in the hon. member for LaSalle as the chairman of the committee and therefore he must resign. So we will have another chairman. I hope the hon. member for LaSalle will remain as a distinguished member of the committee under the new chairman.

An hon. Member: How about the hon. member for Notre-Dame-de-Grâce?

Mr. McGrath: I hope that when the hon. member for Notre-Dame-de-Grâce goes back to the committee he will find himself in coventry, and if he does not know what that means it is something akin to purgatory. If the report is sent back it will have a devastating effect on the committees of the house and their future under the new rules. It will render the work of these committees nothing short of window-dressing for the government, nothing short of a method, albeit a surreptitious one, of keeping backbenchers in line and giving them something to do. That will be the effect of it.

Rather than upset the system of committees which is now functioning, rather than now dealing what could be a death blow to the committee system and rather than depriving the people of Newfoundland of this limited means of transportation, the government would be well advised to take cognizance of the very serious deficiencies which exist in

respect of transportation in the Atlantic provinces. Surely that is the reason we had this reference from parliament. If there are serious deficiencies in transportation in the Atlantic provinces, they reach critical proportions in the province of Newfoundland.

The hon. member for Notre-Dame-de-Grâce said that the Newfoundland government placed high priority on trunk roads. Yes, we need trunk roads but until we have them we should have our railway. This is the whole point of the argument. The government and the people of Newfoundland cannot afford to build the system of trunk roads which is so necessary to provide an over-all transportation grid to serve the people of Newfoundland.

I commend to hon. members that they go to Newfoundland, as did the members of the transport committee, where they would see these deficiencies. All we have is a narrow gauge railway going from east to west paralleled by a narrow gauge trans-Canada highway which is below trans-Canada highway standards because we could not afford to build up to those standards. It is one of the most dangerous highways in Canada. Only yesterday six members of my constituency were killed in a head-on collision on that highway. One of these days there may even be an accident involving a C.N. bus on one of these highways in which the hon. members seem to have so much confidence.

The government of Newfoundland is reasonable notwithstanding the fact that it is a Liberal government. The members of the House of Assembly are reasonable people. All we want is to maintain the rail transportation service in Newfoundland for at least two years. Then the whole hearing would be reopened by the Canadian Transport Commission with a view to examining the situation as it exists at that time. Unless a miracle happens at that time it will become very evident—unless in the next two years we get the $500 million we need to build a trunks system of highways—that the situation is drastic. It will be found that the buses cannot provide the service and it will be found that it will be necessary not only to continue the buses but also the rail passenger service until the province, with the help of rich uncle Ottawa, as the premier of Newfoundland calls it, can afford to pick itself up out of the transportation doldrums and provide a system of transportation such as the people in the rest of Canada take for granted. Only then can we get the true picture.

[Mr. McGrath.]

If this report is sent back to the committee perhaps it will be forced to die there. If the house accepts the amendment of the hon. member for Notre-Dame-de-Grâce it will be very difficult if not impossible for the committee to examine this matter in the course of the preparation of its final report. If this amendment passes and the report does go back to the committee it will be a dark day for parliament and a dark day for the people of Newfoundland.

• (5:30 p.m.)

Mr. Allmand: May I put a question to the hon. member. He said he would answer my question when he concluded his remarks. The hon. member referred to the terms of union of Newfoundland and suggested that in those terms of union were provisions that prevented the parliament of Canada and the C.T.C. from discontinuing rail passenger service in Newfoundland. He suggested there is a strong legal argument against what the C.T.C. has done. If that is so, why has there not been an appeal in law to the Supreme Court of Canada?

Mr. McGrath: There is a very interesting question, Mr. Speaker, which opens up a very interesting subject. If hon. gentlemen will restrain themselves for a moment, I will answer the question. The hon. member for Notre-Dame-de-Grâce knows as well as I do, as does the hon. member for LaSalle, that we tried without success on a number of occasions to get the vice-chairman of the transport commission, who is supposed to be learned in the law, to come before the committee and explain this very point of law. Our request was categorically and callously refused by the chairman of the transport commission. I suspect that the real hand behind this whole gambit is the Machiavellian hand of the Czar Pickersgill.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. I should like at this point to advise the house that the questions to be raised at the time of the adjournment are as follows: the hon. member for Portneuf (Mr. Godin—Air Canada; the hon. member for Winnipeg North Centre (Mr. Knowles)—Income tax; the hon. member for Frontenac-Lennox and Addington (Mr. Alkenbrack)—Public buildings.

GOVERNMENT ORDERS

TRANSPORT AND COMMUNICATIONS

CONCURRENCE IN FIFTH REPORT OF STANDING COMMITTEE

The house resumed consideration of the motion of Mr. Lessard (LaSalle) that the fifth report of the Standing Committee on Transport and Communications, presented to the house on Wednesday, March 19, 1969, be concurred in, and the amendment of Mr. Allmand.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I attended only two meetings as a member of the transport committee, serving only to replace one of my colleagues. I am not going to dwell at any length on the merits or demerits of the case of the "Newfie Bullet", but I rise to take part in the debate because of what seems to be happening to this parliament and its standing committees.

The hon. member for Notre-Dame-de-Grâce (Mr. Allmand) who has moved this subamendment, amendment, or whatever it is, gave as one reason for moving it that he thought it was a bad report. He is fully entitled to that opinion. Colleagues in his own party may disagree with him on that point, and certainly members of the committee from other parties would disagree with him, but he is fully entitled to that opinion.

However, he said during the course of his reasoning in presenting the amendment, and in explaining why he thought it was a bad report, that one or two members of the committee on the government side were unable to be present when the report was prepared, and therefore the report was bad. That does not seem to me a relevant or sufficient reason to warrant the course of action now proposed.

The hon. member advised that he could not be present because he was in Europe with the external affairs committee, and that in itself was perfectly proper. However, it seems to me the hon. member had two choices. He could have been replaced on the transport committee by a colleague, though he may not have felt that a good course to take because his colleague would not have had the benefit of the trip to the maritimes. His other option was to be replaced on the external affairs committee. I realize this matter is extremely important to him, important enough for him to forgo a trip to Europe. In that event, he would have been present and party to all of the discussions that led to the drafting and preparation of this report. It seems to me that the question of who was there and who was not there is not really germane to this debate. The committee met properly with a quorum and unanimously voted for the report. Therefore, I submit that whether one or more members of the committee happened to be absent when the report was prepared is not a relevant point.

The trouble with this amendment now before the house is that if it carries it amends a report that was made outside the house, and in consequence the committee need not meet again. Prior to last June 25 I was one of those so-called younger members—even though I have lost my hair—who had dreams and ideals about what parliament could grow to be. I felt that it could be something better than it was, that even though it had done fairly well in the past it could do somewhat better. I was one of those who waxed loud and long, something I suppose of which I can be accused here. Nevertheless, I was one of the hundreds who ran for office as a member of parliament. Among that number there was the Prime Minister (Mr. Trudeau), many of those who now sit in the back two rows on the government side, and certainly those who sit in the back two rows of the party of which I happen to be a member.

We were told that parliament would be made to function better, more efficiently and more quickly; that committees would be given more responsibilities, made more relevant and important; that committees would have a larger role to play in parliament and thus ordinary members of parliament would have a larger role to play; that backbenchers would be more independent of the civil service, bureaucracy and the treasury benches; that backbenchers would be able in the course of carrying out their duties more properly to represent the views of their constituents, as well as their own views, in the standing committees of this parliament. I readily agree that often it is almost impossible for backbenchers to express their private views in this chamber without causing some embarrassment to members of their own party. However, they are more free to express their own views in the standing committees and in the reports of the standing committees, in the preparation of which they take part.

We then had the debate on the rules changes, and with the exception of the proposed rule 16A, with which we disagreed, all members spoke at length about what they felt parliament should become. Yet after all

of this, Mr. Speaker, we are now seeing the emasculation of a Committee report that the government does not like.

Mr. Allmand: May I ask the hon. member a question?

Mr. Benjamin: Certainly.

Mr. Allmand: Is the hon. member saying that as a backbencher, as a member of parliament, he automatically accepts any report made by a parliamentary committee and that he would not try to amend such report?

Mr. Benjamin: Of course not, Mr. Speaker. I want to say to my fellow M.P.'s who are in the backbenches on both sides of the house that they are now being party to destroying the very thing they wanted, the stronger and better functioning of committees, and the stronger and better functioning of members of parliament. We have over 100 new boys, so to speak, in this house. Most of them are on the government side. All of us new boys have to rely on the majority of those on the government side doing the most of the ball carrying with regard to the better functioning of parliament and its committees. May I say to my fellow M.P.'s who sit in the back two rows on the government side that, as a result of the amendment moved today, this is their last chance. They have a few hours in which to proceed behind the curtain, or whatever method they choose to use, to persuade the government house leader and those on the treasury benches not to do this.

• (5:40 p.m.)

Mr. McGrath: Only the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) has been trying to defend them.

Mr. Benjamin: I think even the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) would like to do this. I want him to know that, quite apart from party considerations, he would have the blessing of members of all parties in this house were he to do this, or at least try. I make the same request of other members on the government side who sit in the back two rows.

There is nothing in the recommendations in the committee report which makes the adoption of them by the government mandatory if the report is adopted. There is nothing that says the government is compelled to implement those recommendations. I have never yet heard of a recommendation that automatically carried with it a provision for its implementation. Surely, a recommendation is not mandatory. Surely, because this is so, parliamentary committees are able to act more freely and more vigorously, and sometimes even a little independently, without worrying about causing embarrassment to the government of the day, no matter what its political stripe.

Surely, the adoption or rejection of this report by parliament is perfectly possible, without bringing into the question the kind of amendment we have before us. This amendment is not necessary; it emasculates parliament and prevents happening what all of us want to see happen in this and succeeding parliaments. But the government chooses to take these recommendations as mandatory instructions. Why they choose to do this I cannot for the life of me understand.

Therefore, the government would use its majority to get the kind of report it wants. Then, why bother with committees? The government could do this equally well without them. The government could have task forces, cabinet committees, or even groups of its own backbenchers, meet and bring in reports and reports and reports; it would not be necessary to go through this exercise in standing committees.

I plead with my colleagues on the back two rows of the government side of the house not to let this happen. This is their last chance. I ask them to do all they can in this respect; to at least try and prevent this happening. I ask them to show that they are trying. If they do not succeed, so what! They will be better men for trying. They should at least try, for if they don't try, they go back to becoming supine ciphers whose only role amounts to being and doing as they are told; and when the government house leader says "Jump", the only thing they can ask is "How high?" There is more to this question than just what is contained in the report of the transport committee.

Mr. Allmand: Mr. Speaker, may I ask the hon. member a question?

Mr. Benjamin: Certainly.

Mr. Allmand: The hon. member says that all we, as backbenchers, on this side, do, is jump when the government says "Jump" and vote when they say "Vote". I would like to ask how many times the hon. member has voted against the instructions of his party.

Mr. Lewis: That is a really intelligent question!

Mr. Benjamin: I have not, yet; but I would not be surprised if there will be such occasions during the time I serve as a member of parliament. If the hon. member for Notre-Dame-de-Grâce will listen carefully, I will repeat what I just said. I said that government members on the back benches have this last chance, and if they do not at least try to prevent what is now happening in this house they can go back to being supine ciphers. I did not say they are that now. I think a large number of them, particularly the new members in the government back benches, are conscientious and have been doing an excellent job in this chamber and in our committees. There are many who want to continue doing so and are capable of doing so. They can try to prevent this happening, or go back to what they used to be. I think this is common knowledge. For too many years back bench members—I will use the phrase again—were supine ciphers whose role was to be and do as they were told. There was the rare exception, and those exceptions are not here any more.

If this amendment is carried, if the new members of parliament in particular in all corners of this house do not raise hell about it in whatever hours remain in this debate, we will all suffer; this parliament will suffer. The tragedy is that our fellow Canadians outside this parliament will say: Those fellows talked a good fight when they were running for office, but were not there very long before they went back to their old ways.

I hope that my colleagues from all parties in the house will rise in their places and state views that, if not in complete agreement with mine will at least be along similar lines. I hope they will cast the same warnings that I have tried to cast in these remarks.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I still think I was not hearing correctly a little earlier this afternoon when the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) stood in his place and made the remarks he did. I still think he was trying to be funny, because I am sure if he were serious he would not have made the statements he did. It is the first time since I have been in parliament, as a neophyte—I admit I am a rookie member of parliament—that I have heard a member in the Liberal ranks stand up and criticize his own members, his own chairman and the mechanism which has been set up by the Liberal government for the conducting of business in this house. I can hardly believe it, and I still think that before the debate is over he will stand up and say he was just trying to be funny and was not serious at all.

Perhaps he was being coached by the house leader. In that sense, of course, he has an excellent coach. Perhaps in that sense he reflected the feelings of the house leader. He voted complete lack of confidence in his committee chairman. I have not known the committee chairman for the 20 years in which he has been an outstanding member of this house, but in the short time I have been here I have grown to respect and like him.

As I say, Mr. Speaker, the hon. member for Notre-Dame-de-Grâce stood in his place and voted complete lack of confidence in his own member, in his own committee and in the other members who were in attendance that evening. At that time almost a full slate of members of the Standing Committee on Transport and Communications arrived at a unanimous decision.

• (5:50 p.m.)

The committee, of course, had a very successful trip down east. I should like to say that I have heard many comments from members of the house and, from people in the area as a result of this visit, expressing the hope that the trip would be successful and that good work would result from this visit. However, I am beginning to wonder just how valuable the work was if this is the kind of attitude with which we will have to contend. I wonder now if it would not have been better to have used the money to build a monument to the C.N.R. rather than to continue in the way we are proceeding.

When I came to Ottawa to take my seat here I was under the impression, and I am beginning to wonder now if I was correct, that parliament occupied a supreme position in the hierarchy of Canadian power when it came to decision making. I was under the impression that parliament was omnipotent. I was also under the impression that the Canadian Transport Commission was a creature of parliament; that it had been set up by parliament to do a particular job, and that it was supposed to answer to parliament for the work it did. I was further under the impression that the railway committee of the Canadian Transport Commission had certain powers to make recommendations about railway work, and finally that the C.N.R. was a Crown corporation. But having listened to the debate in the last couple of weeks, and particularly in the last couple of days, I am beginning to wonder if there has not been a

reversal in this hierarchy. Apparently, the power of these bodies has changed so that the Canadian Transport Commission is now on top and parliament is second. I do not know where we put C.N.R. but the important fact is that parliament has assumed a second rate position in terms of the decision making process relating to transportation in Canada. This is the only conclusion I can draw, because certainly parliament does not have the supreme power in this situation.

In the two or three minutes I have left, I should like to give a brief résumé of some of the events connected with the situation because I still feel many hon. members are not fully aware of some of the facts surrounding the case. This is, perhaps, the reason for the confusion in the mind of the house leader. As everyone knows, in 1949 Newfoundland became the tenth province of Canada. At that time we entered into terms of union with the Canadian nation. One of these terms of union as described by the hon. member for St. John's East (Mr. McGrath) this afternoon in some detail, dealt with the responsibility of the federal government relating to transportation. I am referring to term 31 under which the province was relieved of its responsibility to maintain the rail passenger service, which responsibility was assumed by the federal government.

The government then delegated this responsibility to the C.N.R. which has been operating under that kind of arrangement ever since. About two years ago the Canadian Transport Commission was appointed and was given certain terms of reference and responsibilities with respect to decisions regarding rail passenger service as well as other modes of transportation in Canada. The railway committee of the Canadian Transport Commission then made a recommendation that the rail passenger service in the province of Newfoundland be abandoned. The Canadian Transport Commission accepted this recommendation, subject to certain conditions.

I should now like to make a point which has previously been made, and I hope the house leader will pay some attention because he might learn a thing or two on a subject with which apparently he is not very conversant. The Canadian Transport Commission decided to abandon the rail passenger service in Newfoundland subject to the provision of a bus service of acceptable standards. Only a few minutes ago my friend to my left made reference to the fact that the C.N.R. has already agreed to extend the service beyond the April 15 deadline which was set by the C.T.C. The hon. member for St. John's East pointed out that the provincial legislature reached what was, I believe, a unanimous decision to recommend that the train service be continued. Here we have two bodies, one a provincial legislature and another merely a Crown corporation, both of which made a recommendation to extend the date beyond the April 15 deadline. The committee of the house visited the Atlantic region, and both previous to and since its visit, it has made reports on the state of transportation in the Atlantic region, one of which contained the recommendation now before us.

The committee is asking parliament to use its power, given under the Railway Act, to do exactly what it is empowered to do under this legislation.

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

Mr. Deachman: It is not six o'clock yet.

Mr. Deputy Speaker: It being six o'clock, I do now leave the chair until 8 p.m.

It being six o'clock, the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Lundrigan: Several hon. members had an opportunity this afternoon to review in some detail the principal events leading to the debate in which we are now engaged. I certainly do not wish to take time reiterating what has already been said.

My hon. friend from St. John's East (Mr. McGrath) made a presentation which set the record straight and left no doubt in anybody's mind that this issue should never have been allowed to materialize let alone reach the point where there is a danger of the committee report not being accepted. I am referring to the report of the Standing Committee on Transport and Communications which was agreed to unanimously by all members present; the only exceptions were one or two absentees. This report is now before us for concurrence but it is being vetoed by the leader of the house and by several other hon. members who have been browbeaten or induced by some means or other to adopt his way of thinking.

I had intended to speak about the railway question, but perhaps the railway is now a

minor issue. This is something very significant. I am suggesting here as a Member of Parliament from Gander-Twillingate in Newfoundland that the railway in question is not really the important issue this evening. I am saying that even though there is a danger of losing the railway in our province, the only passenger service in the whole island, this is not nearly as important as the fact that the future of the committee system in this house is in danger. As things are, the whole structure will, in my opinion, come to nought if the proposal put forward by the leader of the house or by the hon. member for Notre-Dame-de-Grâce, whichever is accepted, is allowed to pass.

Some hon. Members: Hear, hear.

Mr. Lundrigan: I am one of the members who came here last fall. I almost accepted the philosophical position taken by the Prime Minister (Mr. Trudeau) during and subsequent to the election when he talked about the democratization of parliament, about participatory democracy or some such animal—a great phrase, but we don't know what it means back in Newfoundland. There was a great statement about involvement, about all hon. members becoming involved in the legislative process, including all those who sit on the Liberal back benches. The could help to shape legislation, so it was said, by attending the committees, bringing in amendments, pressing their points of view, moving motions and then having them brought before the House of Commons. We were all enthralled by this idea of an efficient parliament and a great committee system.

I accepted this point of view to some extent. I thought: I am a new member and this sounds good to me. I almost fell for the arguments which were put forward. Then I had occasion to experience exactly what took place in those committees, events leading to the shame with which we are faced today. Some hon. members may be wondering why I am upset about this. Well, the people of Canada thought that because of the changes made in the rules the committee system would become so effective that even Thomas More would have felt his Utopia left nothing to be achieved in this House of Commons. I took part in the committee system feeling we had a means by which all members regardless of political affiliations would have the opportunity of making a contribution to the legislative process. But this, I learned in a hurry, was a false assumption on my part.

I ask your indulgence, Mr. Speaker, to mention an incident which took place in the Fisheries Committee. We sat on that committee for ten hours on two separate days trying every procedure we knew in an attempt to bring in certain basic amendments. It was a complete waste of time. This was before the television broadcast involving the hon. member for York East (Mr. Otto). Eventually, I walked out of that committee. I remember saying: gentlemen, this is it, for me. I am walking out. It is a waste of time. The people of Gander-Twillingate did not elect me to come here and waste my time debating hopeless issues.

This action of mine in walking out of the committee was regarded by some members as something not altogether manly; I was not playing the game. A couple of days later the hon. member for York East (Mr. Otto) was said at least by other members of the house to have disclosed, in the course of a television program, that government members on the various committees had been instructed not to accept any amendments proposed by the opposition but to vote against them en bloc, thereby destroying the whole idea of the committee system.

That is what concerns us tonight. We are not talking only about the Bullet. We are talking about the whole committee system of the House of Commons. The chairman of this particular committee has been in the house for 20 years. He has the great respect of all members of the House of Commons. This chairman, after presiding over a well-informed committee, made a recommendation. Yet the leader of the house says it has no place on the floor of the Commons.

The President of the Privy Council (Mr. Macdonald) had many avenues open to him. Here are some of the things he could have done. First, he could have instructed all his back benchers on the various committees to vote against any move which would result in anything being done to cause embarrassment to the government. In other words, he could have instructed his members to play no role in the legislative process of this country. I submit that this has actually been done, or else one of the members of the Liberal party has broken faith with that party.

• (8:10 p.m.)

In the event there were unpopular presentations or amendments made, the second avenue open was to refuse to bring these into the house. At the present time we have before us

a prima facie case of privilege which indicates an attempt was made to do this. This question will come up in the very near future.

The third approach to stymie the whole effort of the committee system would be to rely on a point of order in the house in the hope the Speaker would go along with it, thereby preventing the committee from making its report. The government does not allow its members to go along with legislative amendments or to accept the committee report in the house. If the report does get to the house, they hope to prevent its acceptance on a point of order.

The fourth approach, Mr. Speaker, would be to ask the house to return the report to committee for revision. The fifth approach would be to completely nullify the effect of the recommendations. This is what we have today.

The opposition house leader and the hon. member for Winnipeg North Centre (Mr. Knowles), both indicated the effect of this particular amendment proposed by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand). The obvious way to have handled it would have been to allow the recommendation of the committee to be placed before the house. This is what should have been done. The house did not have to accept the recommendation, but an opportunity should have been given to present this recommendation and request concurrence in the report. This procedure would allow the house to make its decision.

When looking across the chamber this evening, I am led to wonder how many members would vote in the event they were forced to vote on this issue. There were roughly 20 members of the committee present the evening the report was recommended to parliament. They all voted in favour, with the exception of two, who abstained.

The Acting Speaker (Mr. Béchard): Order, please. I want to remind the hon. member that he must deal with the amendment before us and not reflect on a vote in committee or on the procedural aspect of the problem settled earlier today.

Mr. Lundrigan: Mr. Speaker, I beg your indulgence to hear what I have to say because, as members of the committee, we are in an awkward position. We have 20 members of our committee present this evening and this house is voting non-confidence in our committee. This is perhaps the most important point.

I was a member of the committee at the time. I am still on the committee. We, on the committee, have no choice but to resign if this house sends back this report suggesting an amendment which would nullify the effect of our report with respect to the particular transportation problem. The house is also asking for a vote of non-confidence in the chairman of the committee. This chairman, who has been a member of this house for 20 years, has been embarrassed to the point where he is ready to resign. The hon. member for Notre-Dame-de-Grâce must be ashamed to sit here this evening after having made the observations he did about his own committee chairman.

Mr. Allmand: On a question of privilege, Mr. Speaker. At no time when I spoke this afternoon did I refer to the chairman of the committee.

Mr. Lundrigan: I will not refer to the hon. member by name. The hon. member for Notre-Dame-de-Grâce threw his boomerang.

We are embarrassed as members of this committee. We feel we have no alternative but to resign. The house leader is asking for a vote of non-confidence. His cohort, whom he coached so well, is asking for a vote of non-confidence in our committee chairman. I hope members opposite will not tolerate this kind of aggression, subjugation, and bally-ragging by the house leader. We are being intimidated because we have made a recommendation. I do not understand the sign language by the hon. member for Notre-Dame-de-Grâce, but I can suggest what it means.

We contend, as a committee, we can make a recommendation on anything connected with the government of this country. This is the supreme government of Canada in this chamber. Perhaps only a few members have indicated a lack of confidence in the Committee. I believe the people of Canada are generally correct when electing members of parliament. I hope they have not made too many mistakes.

An hon. Member: They made one we know of!

Mr. Lundrigan: There will be a few tears shed in Notre-Dame-de-Grâce and the constituencies of other hon. members who have made so many observations. I will not say anything more than this. Hon. members can do exactly what they please in governing this

country, but I will not tolerate the whole system of government going by the wayside because of the insubordinate, arrogant, bally-ragging attitude of the house leader and some of his cohorts who toe a very doubtful political line.

Mr. Heath Macquarrie (Hillsborough): In recent weeks I have come to the conclusion that this particular standing committee has, in some strange way, become the proving ground of the decline in the hopes of those who thought the committee system under the new rules would be good and helpful to this parliament. Here, I am unlike my colleague from Oxford.

I did at one time think the development of greater significance and importance in committees would help the efficiency and functions of this parliament. I may say I have grave doubts about my earlier views after listening to what has gone on today and after noting with pained attention what has happened to many of the recommendations and actions of this particular committee in recent weeks.

Time after time there are occurrences which prompt even the most kindly of us to ask disquieting questions. Why has this particular committee come to be regarded as a transgressor? Has it erred grievously in some way that it should be singled out, not for a runaround, but a kickaround? Would it be because through the vigilance, persuasiveness and alertness of Newfoundland members on the committee and the perception and broad-mindedness of committee members from other provinces and other parties that they came out with points of view which were somewhat inimical to certain members of the treasury board? I wonder about that.

• (8:20 p.m.)

I had expected this afternoon that the hon. member for LaSalle (Mr. Lessard) would lead off the discussion. I, too, know that he is a very able chairman, a sound and reasonable man. I have had the honour and privilege of sitting with him in this house for a good many years. I think highly of his judgment and of his motivations. No, I do not think it is 20 years as the hon. member for Gander-Twillingate (Mr. Lundrigan) mentioned, but it is quite a while. As you approach the 50 year mark, the years seem to be more heavy, but it is quite a while since the hon. member and I were first colleagues together.

I was not a member of the Transport and Communications Committee, but I did see it in action when it visited Charlottetown. I heard the briefs which were presented by many important bodies from the province of Prince Edward Island, and many distinguished and concerned citizens. I heard the views and the discussions on the important and grave transportation problems of that province. I thought that the committee was impressed by the briefs which it had heard and I know, because I know Charlottetown, that the petitioners and others were favourably impressed by the committee, especially by the studious impartiality and the obvious concern of the distinguished chairman.

But what happened? On the very most important question concerning the province of Prince Edward Island, one of the most important in the region, the committee did not get time to get back to Ottawa to sort out all it had heard at Charlottetown, to blend together the contributions of its various distinguished members, before the government announced to Prince Edward Island, to Canada and to this house that that which they had solemnly promised to another government in Canada, namely, the government of Prince Edward Island, would not in fact be delivered. So, the people of Charlottetown although they enjoyed seeing the members of the committee, for all intents and purposes, and for all practical purposes might have saved their breath, their ink, their paper and their time.

Mr. McGrath: The government made a fool of the P.E.I. government.

Mr. Macquarrie: The government put the chop to the Northumberland causeway without bothering to hear what the committee recommended as a result of its on the spot investigation. It was a thorough investigation by some very able men, and I was proud in my native province to claim them as my colleagues, regardless of their party labels.

This, Mr. Speaker, was contemptuous; it was callous; it was degrading. But apart from what happened to the P.E.I. causeway, that is not the issue here, Mr. Speaker. What is even more important is what has happened to the committee system. The committees are an emanation of this house; they are creatures of this house; they are part of this house. They are all of these. Surely, we have not reached the stage where responsible government is merely a chimera of the past. The executive itself rests upon the confidence of parliament, the same body which creates the committees,

and let there be no suggestion that the committees are mere objects of executive direction, as we saw attempted to be carried out today.

This, Mr. Speaker, is not a very good day for those who love parliamentary government. We have an item before the house, the report of a committee—an emanation of the house—and the chairman of the committee retains his seat. The house leader on behalf of the executive stands and moves a motion which is nothing but a rebuke to that committee, an emanation of this honourable house. That is an indication of the views of the government on the role of the committee, and indeed on the role of any committee.

As my colleague, the hon. member for Oxford (Mr. Nesbitt), pointed out, the committee very carefully kept within its jurisdiction and recommended a course of action. But in the eyes of the house leader of the government party it was not allowed to do any such thing. Have we reached the stage where a standing committee of this House of Commons would dare not recommend a policy for consideration which accords not with the views of the executive, of the government? Can a committee not bring in a suggestion which is unpleasing to the government?

Do we now tonight vote that a committee be instructed to bring in a recommendation in accordance with the views of the executive? Surely, this is not the situation. Are we going to vote that the committee be instructed to do so and so? Is there to be a directive to them? What a term of reference for a committee; what a role for a committee, for a committee which was going to make parliament so effective, so efficient, to bring in the fresh air of functioning participatory democracy. Do we say to them, "This you must do, this you must recommend and no other."

I ask this question and it is not a rhetorical question: when the committee meets, if it decides not to follow the diktat of the house leader, what then? Surely, a group of men, members of this house, have a right to vote yes or no? Surely they can decide to approve or not approve of the directive given by the house leader?

What will happen if they should say no? And it is conceivable under certain circumstances, of attendance or otherwise, that they might say no. Then, what happens to our system of committees? Could a committee say no under these circumstances?

If the house votes as the house leader in his Mark III edition would have it and direct it, and if this committee cannot, may any committee at any time ever recommend anything which it knows that the executive would dislike? We are treading towards a very dangerous precedent, Mr. Speaker, and perhaps at a later stage the empiric judgment of committee members might be not only that they dare not recommend something that they know that the executive dislikes, but they might demur from recommending anything that they think the executive dislikes. Then how efficacious is the committee system? There is great danger in the suggestion so brazenly put foward tonight.

Someone mentioned the hon. member for York East (Mr. Otto). I wish he were here because he could tell things that I do not know. I do not go to committees instructed. I don't belong to a monolithic party, and I don't want to. I will never belong to a monolithic party; I will stay in my own party.

This is a most serious situation, Mr. Speaker. I am saddened because, as I said a few minutes ago, I did disagree with some of my colleagues. I thought the committee system would be practical, useful, sensible. Perhaps it was a mistake on my part. Perhaps it represents a triumph of hope over experience. I have been here over a decade and I thought that behind all this there was good will, that there was regard for the parliamentary system. I suppose it only proves, Mr. Speaker, that I am not really as old as I look, and I have been told this many, many times.

I do not want to monopolize too much time because I know many members want to talk about this fundamental issue.

Some hon. Members: Hear, hear,

• (8:30 p.m.)

Mr. Macquarrie: I appreciate the courtesy of that. Some people talk with their seats and some with their hands. Occasionally, some use their minds, but if the letter of the spirit of the diktat—and I use that word again—is carried out tonight, standing committees of this house will be bereft of power, of will, of influence. They will be denigrated; they will become a mere chimera without influence and without value. This I do not want to see. This is not a great day for parliament; it is not a great day for the house leader of the government party. I am sorry he is not here tonight. There will be many things said about that hon. gentleman, but I think he will never be described as a House of Commons man. When I heard the house leader of the government

party presume to reflect upon the knowledge of parliamentary procedure possessed by the hon. member for Winnipeg North Centre (Mr. Knowles), I thought presumption had reached the apogee of distastefulness. If the hon. house leader is here for 40 years, which is highly unlikely, he will never muster a one-thousandth part of the knowledge of house procedure possessed by the venerable member for Winnipeg North Centre.

Some hon. Members: Hear, hear.

Mr. Macquarrie: I began taking an interest in the activities of the House of Commons in the days of C. D. Howe. I was not a member then; I was in the gallery. Tonight and today I thought that the hon. house leader had a good deal in common with the hon. C. D. Howe. But there is one difference; he has the manner of that great man but not the matter. Without the matter he will not be nearly as successful.

Mr. Allmand: May I ask a question of the hon. member for Hillsborough (Mr. Macquarrie): Was the hon. member suggesting that the House of Commons should accept a committee report without any weighing of the evidence? Does he suggest—

Mr. McGrath: How many speeches do you want to make?

Mr. Allmand: —that the House of Commons should automatically accept any report set down by a committee, or should the House of Commons, as the sovereign body of the Canadian people, have the right to discriminate, accept and reject reports as it deems fit?

Mr. McGrath: The hon. member has foot and mouth disease.

Mr. Macquarrie: I would be pleased to deal with that question. There has been a great deal of talk about the Newfoundland "Bullet". I will say this. The house, I am confident, would have been delighted to deal with the report had the discussion been led off by the chairman of the committee. However, when the report is torpedoed in the initial stages by executive diktat, I say that is not the way to deal with it.

Mr. MacDonald (Egmont): Mr. Speaker, I wonder whether the hon. member for Hillsborough would permit another question. Would he indicate whether or not he feels inasmuch as the government house leader has raised the question of one aspect of the report being *sub judice*, that a good deal of the work of the committees would be in that category following the reasoning of the hon. house leader?

Mr. Macquarrie: I think there is a good deal of logic and knowledge in that observation, as in all the observations of my colleague.

Mr. Walter C. Carter (St. John's West): Mr. Speaker, on November 28 last year my colleague the hon. member for St. John's East (Mr. McGrath) presented a motion to the Standing Committee on Transport to the effect that the decision to abandon rail passenger service in Newfoundland not be implemented until the committee on transport was given a chance to visit Newfoundland. The motion was passed by a majority of the members of the committee at that meeting. Of course, under normal circumstances this motion would have formed a part of the report of the committee to the house. It is obvious, however, that the motion was a great embarrassment to the government, so it was arbitrarily omitted from the report of that committee to the house. Next the matter was considered by the Committee on Privileges and Elections where it was clearly shown that the omission of the motion from the committee report had been improper, and without any legal or procedural justification.

Finally, we had the report written with the heavy hand of government direction to the effect that the original motion was not properly before the committee. In the meantime, the Standing Committee on Transport and Communications visited the Atlantic provinces, including the province of Newfoundland. On the basis of the evidence heard during its visit, it recommended that the order of the Canadian Transport Commission authorizing the Canadian National Railways to suspend rail passenger service in Newfoundland on April 15 be left in abeyance until the committee tabled its complete report in respect of this matter.

Again, it is obvious that this recommendation was an embarrassment to the government and especially to the government house leader. An attempt was made by the house leader and by the government to kill this report. The unfortunate part of this whole thing is that we have one agency of government which has set about deliberately, in collaboration with two other agencies, the Canadian Transport Commission and the Canadian National Railways, to kill Newfoundland's rail passenger service.

What is most appalling about the whole thing is that they have now connived—I am referring especially to the President of the Privy Council (Mr. Macdonald)—to cover up the murder trail. They have in essence killed the "Bullet" and are now trying to cover up the murder trail.

Mr. Alexander: They are trying to kill the opposition.

Mr. Carter: Having been beaten during sittings of a committee, they have created a series of events which I believe have seriously undermined the basis of all the reforms of rules and procedures of this house. The government's argument in bringing in the sweeping reforms was that public business would be more effectively and more efficiently dealt with if more of the work of the house were placed on the shoulders of committees. But this could only hold true so long as every member of this house believed the committees would function fairly and openly, without pressure from the government. Bullying of committee chairmen, hiding the real intent of committee proceedings and regimentation of government members on committees has made a mockery of the committee system.

If this sort of thing continues and if the government can simply tailor the business of every house committee to suit its own whims, what is the use of our committee system? Not only has this government conspired with the Canadian Transport Commission and the Canadian National Railways to kill the "Bullet", what is much worse is that it appears to have killed house reform and the committee system as well. It seems obvious to me that this government has become so arrogant that it cannot tolerate even a slight reverse in one meeting of a committee which has been set up according to our committee system. If this is to continue we might just as well pack up, go home and let the government, the government house leader and the Prime Minister rule by decree. This naked exposure of dictatorial power is shocking. It is so completely out of proportion to anything warranted by the circumstances that it makes one wonder how this government would act on major issues. This government's action of twisting facts and doctoring records in this case is like using a sledge hammer to kill a fly.

• (8:40 p.m.)

The story of Newfoundland's rail passenger service and the determination of the people of Newfoundland to retain that service is well known to this house, and indeed to all Canadians. I do not think government members can overlook the fact that, as my colleague for St. John's East (Mr. McGrath) has pointed out, the Newfoundland legislature, speaking as it does for the people of Newfoundland, has adopted a resolution to the effect that the decision to abandon the rail passenger service be deferred for at least two years. That is the wish of the Newfoundland people, the wish of the rail unions in Newfoundland and of pretty well all people in all walks of life. But the government, the Canadian Transport Commission and Canadian National have decided that the wishes of the Newfoundland people in this regard must be ignored.

I might remind hon. members that 20 years ago today 300,000 Newfoundlanders became Canadians.

Some hon. Members: Hear, hear.

Mr. Carter: I hope, as do all the people of Newfoundland, that the rest of Canada and my hon. friends opposite will never regret having joined us in 1949, because we were glad to have them. But it is strange that on this the 20th anniversary of our joining Canada, or of Canada joining us, the six members from Newfoundland should be required to stand in their place in this parliament and fight for that which we feel is our right, namely the continuation of the rail passenger service in our province. This is a shame.

I am wondering what we have to do in this regard. The Newfoundland people are unanimous in their opposition to the plan of Canadian National, and of this government, to abandon our rail passenger service. The Newfoundland legislature is opposed to it. The unions are opposed to it. As I have already said, people in every walk of life have opposed it.

Despite this, the house leader appears to be obsessed with destroying that which we feel is rightfully ours. It is not hard to understand why this obsession exists. I charge the government house leader with being vindictive because his party did not fare too well in Newfoundland on June 25. I suggest that this is his, and his government's way of getting even.

Motions were made in the transport committee that were adopted and approved by the committee. The committee visited Newfoundland to hear evidence from people from all walks of life. The committee came back to Ottawa and pretty well unanimously agreed that the decision to abandon the railway be

set aside pending completion of its final report.

Despite this, the government house leader is determined to see that course is not followed. Despite the recommendations of the transport committee, the representations made to this parliament by Newfoundland members, the fact that the Newfoundland legislature opposes this step and the major unions and other bodies in Newfoundland are against this move on the part of Canadian National and the Canadian Transport Commission, the government house leader insists that the motions that were made in the committee were wrong, and that any recommendations made by the committee to set aside the decision should not be accepted.

As a Canadian of 20 years standing and as a new member of this house, this whole exercise has been quite disgusting to me. This power that has been exercised by the house leader—

An hon. Member: Nothing should worry you old colonial boys.

Mr. Carter: This is not a laughing matter. I ask the hon. member to speak from his seat. He might get picked up by *Hansard*, which is the only chance he will have. If the hon. member wants to say anything let him stand up and speak from his seat, instead of making snide remarks. We are old colonial boys and we are not ashamed of it. We are not ashamed of being colonials. Now we are Canadians and we want to be proud, but you are not making us very proud, and neither is your house leader. I recommend to your house leader—

The Acting Speaker (Mr. Béchard): Order. I ask the hon. member to restrict his remarks to the motion before the house.

Mr. Carter: If hon. members opposite will confine themselves, sir, I will.

The Acting Speaker (Mr. Béchard): The hon. member for St. John's West has the floor.

Mr. Carter: I seriously recommend to the house leader that he start wearing a beard and smoking cigars, to take on the image.

An hon. Member: What does that mean?

Mr. Carter: Figure if out if you want to. The matter we are discussing here is a very serious one. What we are fighting for is for Newfoundland to be allowed to have rail passenger service. The committee on transport feels this service is essentially Newfoundland's.

One hon. member opposite referred to the fact that priority has been given to the construction of a road system in Newfoundland. As my hon. friend from St. John's East said, until such time as Newfoundland can afford to spend $500 million on developing an adequate road system we must be allowed to retain our rail passenger service. I urge the government to allow Newfoundland to retain this service because it is essential to the well being and the transportation needs of the Newfoundland people.

I am at a loss to understand why this great effort has been made by the government, especially by the house leader, to deprive Newfoundland of this essential service. As I said before, the committee passed motions and made recommendations. Despite this, the government house leader still insists that, because of some technicality, the motions were improperly presented, that the committee did not decide to include the motion in the report of the committee to the government.

I urge hon. members opposite to give this matter very serious consideration because it means a great deal to Newfoundland. It also means a great deal to the future of the Committee system of this parliament. The committee travelled to Newfoundland as well as to the other Atlantic provinces. It heard some 170 witnesses and received 105 briefs. If all this is to be ignored, I contend that our trip east was not necessary. It has been a complete waste of money.

• (8:50 p.m.)

The matter being discussed tonight is not only a question of whether Newfoundland can retain its rail passenger service; it is a question of whether the committees system and the new rules will work in this parliament. If committees make reports based on their findings and evidence as they travel across the country, and committees are to be bullied and their reports completely ignored by the house leader and the government, I contend that we might as well all pack up and go home because the committees system will not work.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise to take part briefly in this debate because I think it has assumed an importance far beyond anything one might have anticipated at the start. As I see it, the

issues now facing us are not just those covered in the substance of the report, namely, matters having to do with transportation problems in the Atlantic provinces; those issues have been surpassed by the simple question whether members of parliament when they serve on committees are free to vote as they wish, or whether they must vote in the one and only way they have been told they must vote.

An hon. Member: That has not yet been decided.

Mr. Knowles (Winnipeg North Centre): The hon. member says that has not yet been decided. I hope it will not be decided. But if the amendment moved by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) is carried, and if the motion as amended is carried, this house will be saying to its members on the Standing Committee on Transport and Communications that there is only one way in which those members can vote on a certain issue. I think this is a very serious matter, and I hope the house will think very deeply about it before it votes on the question.

I had something to say yesterday about the committee system. That was when we were debating a point of order. I have long felt that we should upgrade our committees and I am pleased with the changes we have made in our rules looking toward that end. I am pleased also that we, if I may say so, are considering in our Standing Committee on Procedure and Organization other things that we may yet do to upgrade the work of our committees. I believe the day will come when we may even have another building especially for committees, when there may be times that the house does not sit because important committees of parliament are meeting. But we do not move in that direction if the first time a committee brings in a recommendation which the government does not like, that committee is slapped down, not just by a rejection of its recommendation but by an instruction that it must go back into session and vote this way, or else.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): I do not know who thought up such an idea, Mr. Speaker. I thought this was a free parliament. I thought we voted as we pleased in this House of Commons and in our committees. But this apparently is not so.

Mr. Allmand: Mr. Speaker, could I ask the hon. member a question?

[Mr. Knowles (Winnipeg North Centre).]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, is it the same question the hon. member has asked other members?

Mr. Allmand: No.

Mr. Woolliams: He has changed the wording.

Mr. Allmand: The motion states that a certain paragraph of the report must be deleted If that paragraph is deleted, what is to prevent the committee from bringing in another paragraph on the same problem but with different wording and with a different recommendation? Is the hon. member suggesting that because the committee is instructed to delete this paragraph, it cannot bring in another paragraph on the same subject but in a different tenor?

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I really give the hon. member credit for more procedural knowledge than that. If the motion as amended passes and this matter is referred back to the committee, so far as this issue is concerned this is its total term of reference. This is all it can do, namely, redraft the report with the offending paragraph omitted. I submit that on all counts this is nothing other than a case of straight dictation. Some of my hon. friends who have interrupted have said that we have not passed this yet. I hope we will not pass it. I would rather see this matter get into government orders and stay there for the rest of the session, than be passed, because I think it would be a black day for parliament to take this stand of saying to a committee: This is what you must do. You have no other choice. You have been given the word and you must do what you are told.

I thought when my hon. friend rose that he was going to ask the question he has asked several other hon. members, namely: Does every recommendation of a committee have to be accepted? The answer to that question is clearly no. I do not think it follows automatically that because a committee makes a recommendation, it has to be accepted by the house or the government. That is what these various bodies are for, to consider things at their various stages.

Indeed, I think it would have been procedurally correct for the government to have said today: We do not like this report. We ask the house to reject it. That would have been a bit of a slap in the face, but at least it would have been procedurally correct if the government openly and honestly had

said: We do not agree with this recommendation and we want the house to turn it down. Then, of course, it would have been up to the house to decide the matter by its vote. Another course the government could have followed, which would have avoided this debate which has proceeded on and off for two or three days, and the great deal of the nastiness we are experiencing, would have been just to accept the report moved by the hon. member for LaSalle (Mr. Lessard). Has not the house the right to express the view that these things said in the report ought to be considered; ought to be done, if you will? If that had happened, if the report had been concurred in, the government of course could have acted upon it or it could have come back in a few days and said to us: We have considered these things, but we do not think they should be carried through.

That happens over and over again. If you will pardon me, Mr. Speaker, I should like to cite an example, though you will be watching me to see that I do not get too far into the substance of it. I am very conscious of this matter. A committee made a unanimous recommendation to Parliament on May 8, 1967, that the pensions of retired civil servants be increased. The government said it was giving consideration to this recommendation. The government has not yet acted upon it; but at least we know where to put the blame. The government has refused to act on that recommendation, but it still stands as a recommendation of the committee.

But in this case the government is not prepared to let the recommendation stand as a recommendation of the committee. It is not prepared to let the house decide whether it wants to say yes or no to this recommendation. It is asking the house—and it has a majority, no doubt, to go through with it if it wants to do so—to say to the committee not only that we do not like what it did, not only are we not prepared to accept it, but we want the committee to go back and bite the dust. We want the committee to change its report, even though the evidence is that it was a unanimous report when the committee brought it in.

• (9:00 p.m.)

For these reasons, I hope that the government will not press this amendment. It would be a magnanimous gesture which would show deference to the way in which parliament should work if the amendment were withdrawn. But if the government cannot do that, then let the motion go over into government orders and let it die there at the end of the session. There is another motion there to adopt another report, and the same thing would happen to it. If this amendment is carried and the motion as amended is carried, not only will we have had a nasty day in parliament today—and there is no denying that this is what we have had—but we will have something on the record which will not grace the reputation of parliament.

There is no point in multiplying words. I confess I was shocked at what happened today. I said earlier that I had thought I would have the day off so far as speaking was concerned. I know that for anybody to get up and say he did not intend to take part in a debate is usually laughed at, but that was my intention. There were enough people to take part in the debate, especially with respect to the substance of the matter. But I was really shocked over what the President of the Privy Council (Mr. Macdonald) did when his original amendment was ruled out of order because he called paragraph 5 paragraph 4. All that was necessary then was to designate that paragraph properly, but he had the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) change other words in the amendment so that instead of the government asking the house to give the committee power to change its recommendation if it so desired, the amendment was worded so that the committee must make that change and it was given no other choice.

Notwithstanding the interjection of the hon. member for Notre-Dame-de-Grâce (Mr. Allmand), may I say that if his motion passes, the only motion which the committee and the chairman—whether it is the hon. member for LaSalle (Mr. Lessard) or someone else—will be able to accept will be a motion for the deletion of the offending paragraph in the report. As my friend, the hon. member for Hillsborough (Mr. Macquarrie) asks, what will happen if by any chance hon. members do not vote for that motion? Will they be in contempt of parliament? Will we have a scene? Will hon. members be brought to the bar of the house, or perhaps committed to the tower because they have not done what parliament has called upon them to do? Let us just contemplate the utterly ridiculous situation in which this parliament is being put by this amendment, and particularly by the rewording effected by the hon. member for Notre-Dame-de-Grâce. I would not have liked the original motion as moved by the President of the Privy Council, but in retrospect it

was so much better than this one that I wish the words I am now talking about had stayed the way they were.

I have said enough, but I have a subamendment which I would like to move. Hon. members may feel that this subamendment will only complicate matters, but I feel that if we are going to be asked to make this decision, we should be logical. We should carry through and state clearly what follows from the amendment that is now before us in the name of the hon. member for Notre-Dame-de-Grâce. So, to make it clear what the house is being asked to do, I move seconded by the hon. member for Vancouver-Kingsway (Mrs. MacInnis):

That the amendment be amended by adding at the end thereof the following words:

"and that the members of the said standing committee be discharged, since the passing of this motion, as amended, constitutes a vote of non-confidence in the said members".

Some hon. Members: Hear, hear.

The Acting Speaker (Mr. Béchard): The Chair has some reservations about the amendment and wishes some time to consider it.

Mr. Ray Perrault (Burnaby-Seymour): Mr. Speaker, without any doubt whatsoever this has become one of the most overblown issues of this session. It is interesting to observe the actions of some hon. members in the opposition. Very often they contest committee reports, but they happen to agree with this one so they want to blow it up into a vast political issue. Let us consider some of the statements that have been made in this debate. It has been suggested that a loyal group of members of parliament from all parties in this house toured the maritimes and came back earnestly determined to make a report which would be made available to the House of Commons. What are the facts? Many of the key members of that committee were not even present at the committee meeting because they had other responsibilities in the house.

An hon. Member: Some excuse.

Mr. Perrault: What were their names?

Some hon. Members: Oh, oh.

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

Mr. McGrath: Mr. Speaker, I rise on a question of privilege. The hon. member for Burnaby-Seymour (Mr. Perrault) just made a

[Mr. Knowles (Winnipeg North Centre).]

statement that is not in accordance with the facts, and I would ask him to withdraw it.

Mr. Perrault: Sit down and listen, then perhaps you will get some information that is really factual.

Mr. McGrath: Mr. Speaker, I challenge the hon. member.

Mr. Perrault: We have had so much maudlin chit-chat—

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

Mr. McGrath: Mr. Speaker, I rise on a question of privilege. It is the tradition of this house for hon. members to speak in accordance with the facts. I charge that the hon. member for Burnaby-Seymour just now made a statement that is not true, and I ask him to either back up that statement or categorically withdraw it.

Mr. Perrault: If the hon. member will remain in his place instead of engaging in these antics—

The Acting Speaker (Mr. Béchard): There is no question of privilege. The hon. member for Burnaby-Seymour has the floor.

Mr. Perrault: What about the meeting of March 17? The following are the Liberal members who were absent from the meeting: the hon. member for Calgary South (Mr. Mahoney), the hon. member for Madawaska-Victoria (Mr. Corbin), the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) and the hon. member for Burnaby-Seymour (Mr. Perrault), replaced by: the hon. member for York West (Mr. Givens), the hon. member for Kamloops-Cariboo (Mr. Marchand), and the hon. member for Lac-Saint-Jean (Mr. Lessard). The members of the Conservative party who were absent were the following: the hon. member for Oxford (Mr. Nesbitt) and the hon. member for Annapolis Valley (Mr. Nowlan), replaced by the hon. member for Gander-Twillingate (Mr. Lundrigan) and the hon. member for Grand Falls-White Bay-Labrador (Mr. Peddle). Also the hon. member for Portneuf (Mr. Godin) was absent.

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Grand Falls-White Bay-Labrador on a point of order.

Mr. Peddle: The hon. member for Burnaby-Seymour suggested that a number of key members were absent at the time the decision was taken. I should like to ask of you, Mr.

Speaker, what constitutes a key member of a committee. In my opinion all members are equal.

The Acting Speaker (Mr. Béchard): Order, please. I ask the hon. member who has the floor to restrict his remarks to the amendment before the house.

Mr. Perrault: I intend to restrict my remarks to the facts, and that may be a notable contribution to the debate today. But the suggestion that somehow democracy has been subverted because the committee did not bring in a report which is to the liking of some members of the opposition is pure, unadulterated hogwash, and the agony of these opposition members hopping up and objecting on small and insignificant technical points does not strengthen their case at all.

I am simply saying that of the group which toured the maritimes and saw the conditions firsthand—and I was a member of that group—I would not have voted in favour of this particular report.

Mr. McGrath: Why were you not at the meeting?

Mr. Perrault: At least ten members were absent, all of them important.

Some hon. Members: Oh, oh.

The Acting Speaker (Mr. Béchard): Order, please. I ask for the co-operation of members of the house. The hon. member for Burnaby-Seymour now has the floor.

Mr. Perrault: The way some members descend to vilification indicates the quality of the argument which they have advanced today.

• (9:10 p.m.)

The members of the committee which toured the maritimes showed a dedicated interest in the problems of the maritimes, and that goes for all members of all parties. We have a good group, there. I am suggesting that the committee report of March 17 was not representative of the group of people who investigated those conditions.

Mr. Baldwin: I rise on a point of order. No hon. member is entitled to challenge the validity of a properly made recommendation and report which has been brought into the house by a committee merely because all the committee members were not present at the time it was made. We are now debating the report of the committee, together with an amendment and a subamendment which have been made in this connection. No hon. member is entitled to go behind the report and say it was not a good report because it was not drawn up when all the committee members were present. If this argument were to be accepted there is scarcely a committee report brought into the house which would not be subject to criticism on these grounds and the suggestion that it should, therefore, not be approved. I do not think the hon. member can put forward that line of argument.

The Acting Speaker (Mr. Béchard): Order. I will again ask the hon. member to restrict his remarks to the amendment and not to discuss the committee meetings.

Mr. Perrault: With all due respect to the learned member of Her Majesty's Official Opposition, I do not think this house needs a lecture on procedure.

Some hon. Members: You do.

Mr. Perrault: I have had something to do with legislative proceedings and I am suggesting that it comes to a situation in which a committee reports back to this house, and the Official Opposition itself freely acknowledges that since there is a government majority the government's majority is acceptable to them, despite any minority objections they may hold. In this case the government states there is a technical and perhaps a philosophical flaw in the report as received. It is entirely in order for the house to refer a section of this report back to the committee.

Some hon. Members: Shame.

Mr. Perrault: There is nothing in the amendment before us to justify the kind of action contemplated in the subamendment moved by the representative of the New Democratic party. This paragraph could be deleted. Another paragraph could be brought back on the same subject in another form. The government, which commands a majority in this house, simply says it is not in order to accept the report in this particular form. If members of the opposition wish to challenge this, they have a right to do so in the course of subsequent committee meetings and a democratic vote will be taken. It should be repeated that members on the government side of the house and in this rump in the corner, happen to hold a majority in this parliament and they are not going to be run by a minority group in this house. Members who are so agitated about the procedure contemplated here should seek to have themselves

placed on the committee by their respective party whips so that they can make their views known when the committee meets.

Some of those who are so vocal today should have shown more interest in joining the tour when we went to the maritimes. They all had the right to show up but many were notable by their absence.

Some hon. Member: Shame.

Mr. Perrault: In summary, Mr. Speaker, there were six or seven members absent from the vital committee meeting on March 17, members who were on the maritime tour. A number of them would not have supported this report, I am sure. There are other members of Parliament on the government side who would not have supported the report in the form in which it was sent to the house. It is in order to refer this back to the committee. Perhaps a vastly improved report can now be prepared, possibly on the basis of suggestions offered by representatives of minority groups, which would be accepted by the committee if the arguments used were persuasive enough.

The assertion that this is establishing a dangerous precedent and that democracy is being frustrated is a specious one, and everybody knows it.

Mr. McGrath: I rise on a question of privilege, Mr. Speaker, in connection with something which the hon. member for Burnaby-Seymour (Mr. Perrault) has said and which I maintain is not in accordance with the facts. He stated that key members of the committee were absent. I maintain that the following government members of the committee were present the night the committee drafted its report: the hon. member for Calgary South (Mr. Mahoney), the hon. member for Gloucester (Mr. Breau), the hon. member for LaSalle (Mr. Lessard), the hon. member for London East (Mr. Turner), the hon. member for Fraser Valley East (Mr. Pringle), the hon. member for Madawaska-Victoria (Mr. Corbin), the hon. member for Gamelin (Mr. Portelance) and the hon. member for Bourassa (Mr. Trudel). Those are eight of the 11 Liberal members entitled to sit on the committee, and those eight members took part in the tour of the Atlantic provinces and voted unanimously for the report.

Mr. Perrault: I shall not engage in a battle of the lists. I shall allow the Clerk's office to resolve this particular matter. The hon. member for Calgary South (Mr. Mahoney) was not there.

[Mr. Perrault.]

The Acting Speaker (Mr. Béchard): Order. The hon. member has finished his speech.

Mr. Mahoney: On a question of privilege, Mr. Speaker. I was not there.

Mr. Eldon M. Woolliams (Calgary North): In order to get the debate back on the rails after the speech to which we have just listened, it might be as well to summarize the motion and the amendment before us.

We are now considering a motion as set out on the order paper on page three:

> That the Fifth Report of the Standing Committee on Transport and Communications, presented to the House on Wednesday, March 19, 1969, be concurred in.

The following amendment has been moved by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand):

> That the said report be not now concurred in but that it be recommitted to the Standing Committee on Transport and Communications with instruction that they delete from the report the paragraph thereof which reads as follows:
>
> Your Committee recommends that the order of the Canadian Transport Commission, authorizing the Canadian National Railways to suspend rail passenger service in Newfoundland on April 5, 1969, be left in abeyance, until your Committee tables its complete report in respect to this question.

We have heard this evening from the Liberal member for Burnaby-Seymour (Mr. Perrault). One thing I can say at the outset is this: He is not known for his modesty. Modesty is not one of his virtues. I have noticed—and I am not making anything of this—that his seat has often been vacant. In fact, the Prime Minister (Mr. Trudeau) once asked: "Who the hell is the member?" No doubt parliament made certain decisions on occasions when he happened to be absent on government business, or constituency business or any other kind of business. Is he asking us to accept that we should therefore review those decisions because he or some other members were absent?

An hon. Member: He is a key member.

Mr. Woolliams: What kind of nonsense is that?

I wish to speak on this particular amendment and on the amendment to the amendment because I am one of those who stood in the house when rule changes were being debated and who did not agree to the type of

rules which changed the committee structure. I agree with speakers on this side who have said that committees are the creatures of the house and of parliament. But I do not go along with the idea that they should become the creatures of the Liberal party.

Some hon. Members: Hear, hear.

Mr. Woolliams: The Prime Minister said: We are the masters of the house. Now he and the President of the Privy Council (Mr. Macdonald) are saying in effect: We are the masters not only of the house but of the committee structure, too. I do not agree with some of my hon. friends in my own party or with the hon. member for Winnipeg North Centre (Mr. Knowles) in this regard. Surely, these boys will behave. The whole thing boils down to this. Human nature being what it is, and politicians being subject to a certain kind of human behaviour, the only way in which to keep the government in its place and avoid complete control by the executive is to establish some rules.

• (9:20 p.m.)

New members of the Liberal party have not seen parliament function long enough to realize when the rules were changed they allowed human behaviour to operate in the way it usually does. This government wants to be a dictator. Without rules there is no way to control the cabinet. We must refer this procedure back to the rules committee for changes so that the committee structure can be protected and we will be in a position to debate issues of this nature. This is a wrong against Newfoundland; it is wrong in fact and in law, and wrong as far as parliament is concerned. These rules must be changed.

Some hon. Members: Hear, hear.

Mr. Woolliams: There is evidence that rules of this kind will not operate with this kind of government or any other kind of government. Human nature being what it is, this government will take every advantage. It is power hungry. This was demonstrated when the Minister of Transport (Mr. Hellyer) and another minister taped information prior to giving it in the House of Commons. Then, they stood in their arrogant way with papers written by their advisers in their hanky-panky fashion.

We know very well, Your Honour, that they are guilty of a breach of the oath they took as privy councillors. I say this government is a dictatorial government. The former Prime Minister, when debating a tax matter, changed the rules and these two ministers are doing it now. This makes it in order to mention these facts. The Prime Minister in 1963 described a Liberal as "say anything, think anything, do anything; forget about your ethics, but put us into power." That is the philosophy of the Liberal government.

An hon. Member: You are right.

Mr. Woolliams: I am glad you agree with me; I know I am right. We must change the rules to bring the estimates or a part of the estimates, back to the House of Commons. This is the only power this house has over the government, to control the purse strings of this nation. When this is done, parliament will function with efficiency and freedom will be gained in this institution.

When I spoke previously about rule changes, Mr. Speaker, I predicted what would happen in the committees. It has happened now. Members of the New Democratic party and others in my party predicted certain things would happen under the rule changes. We were tolerant. We said our party stood for reform.

When we sat on the opposite side of the house with a minority government, Pickersgill, Chevrier and Pearson filibustered supplementary estimates on labour for 18 days. They were the masters of filibuster. Certainly, changes were needed, but when the whole of the estimates were taken out of the House of Commons, control of the pursestrings was taken away from parliament. The executive then became all-powerful. The proof of this is what is going on today in connection with this amendment. The executive say there was a committee.

When we examine the committee structure we see there is always a Liberal chairman and we are blessed if we get a fair one. There is always a Liberal majority and we are blessed if that majority exercises the discretion and fairness which is necessary. The rules have been changed in the committees. Members are puppets of the executive; they all want to be in the cabinet or parliamentary secretaries. That is why the hon. member for Notre-Dame-de-Grâce moved this amendment. He wants to be close to the executive. He wants a laying on of hands. This is the human behaviour to which I have referred.

Members opposite are talking, yelling and heckling me because they realize the rules of the house must be changed. Committees must be creatures of parliament and not creatures

of the executive. Then, this hanky-panky nonsense of changing reports by the executive and the government will be stopped. This is the second time this has happened.

I was a member of the Standing Committee on Transport and Communications before becoming a member of the Standing Committee on Justice and Legal Affairs.

Mr. Deachman: Why didn't you vote against it?

The Acting Speaker (Mr. Béchard): Order. Again I ask the co-operation of hon. members to allow the hon. member for Calgary North to finish his remarks.

Mr. Woolliams: I want to answer the member for Vancouver Quadra (Mr. Deachman). When I was a member of the Committee on Transport and Communications, I attended. The only reason I am not on the committee now is I am on the committee of Justice and Legal Affairs. That can be confirmed by the Minister of Justice (Mr. Turner) and other members on the committee.

When I was a member of that committee, the chairman was ill one morning. We did not know he was ill because we are not mind readers. Members of the government stated they were going to change the chairman. Fancy throwing out a member when he is sick! Do you know who threw him out? The hon. member for Calgary South (Mr. Mahoney). He wanted to be the chairman of that committee. That is the kind of hanky-panky that was going on. We said, here is a French-Canadian chairman, a member of the Liberal party doing a fair job; he deserves to keep that chairmanship.

Mr. Perrault: Sit down.

Mr. Woolliams: My friend says to sit down. Let me just digress on a point of order—

The Acting Speaker (Mr. Béchard): Order. The hon. member is delivering his speech on the amendment. There is no point of order.

Mr. Woolliams: The hon. member for Burnaby-Seymour should not be permitted to make speeches from that part of his posterior that I will not mention because of the niceties of parliament. According to the rules, he must rise in his place. The hon. member has no right, even though he comes from the rustics of the B.C. legislature, to interrupt me without taking his proper seat in the house.

[Mr. Woolliams.]

• (9:30 p.m.)

Mr. McGrath: On a point of order, Mr. Speaker—

The Acting Speaker (Mr. Béchard): Order. I do not think we are going to get very far with all these points of order. The hon. member for St. John's East (Mr. McGrath) on a point of order.

Mr. McGrath: I rise on a point of order. Under the rules of this house the hon. member can only speak from his seat. I say with great respect that the hon. member for Burnaby-Seymour (Mr. Perrault) is not now in his seat.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Calgary North.

Mr. Woolliams: Even if hon. gentlemen opposite do not agree with me, I suggest that they sit in silence and listen. In that way we might get on with the job a little quicker. Now, to continue with the narrative.

At the next committee meeting the Liberals rushed on to appoint a new chairman. We in our party never supported that kind of procedure. At that time there was a motion moved, similar to the one with respect to transportation in Newfoundland. Again, it was passed. Twice that motion was passed by the same committee, and twice the executive decided to change the motion. There was a quorum at the committee meeting. As I say, the committee has twice passed that motion. It has been twice before the House of Commons, and twice the executive has tried to run the House of Commons. That is why I say, under the new rules and with this kind of political behavior, it is impossible to operate these committees.

The only way to get fair committees is to have the committees elect their own chairmen, irrespective of political party affiliation. When you get that, you will have true democracy but as long as a committee is set up as a creature of the Liberal government you will not have any fairness so far as the committee work is concerned. That is why the government is now moving to delete from the committee report the question of transportation in Newfoundland.

The amendment to the amendment puts the argument in the proper perspective, because if this motion is passed the executive can change anything having to do with a committee. The hon. member for Burnaby-Seymour

argued that all members did not attend the committee meeting, and said that parliament can change any of these things no matter what committees do. He also said, "We have a majority." What he really said, was, "As long as the executive wants something, then the members of the Liberal party, who are in a majority, will ram it through."

Mr. Perrault: On a question of privilege, Mr. Speaker, the hon. member has been engaging in utter distortion of the intent and substance of my remarks. I think hon. members would like to have him speak to the other amendment before the house instead of engaging in this highly partisan dissertation.

The Acting Speaker (Mr. Béchard): Order. There is no question of privilege.

Mr. Woolliams: In reply to the hon. member I could only say, "Woh wad some power the giftie gie us to see ourselves as others see us."

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, I had some doubt about whether I was going to be recognized in time. Now that I have the floor, and assuming the house closes at ten o'clock tonight, I can assure you that I will have the last word on this matter tonight. I am sorry that the President of the Privy Council (Mr. Macdonald) is not present. I do not know where he is and I do not care where he is, but I do want to say that I have been thinking a lot about him lately. The more I think about him, the less I think of him. I am beginning to think he is one hon. member who stands for anything he thinks people will fall for.

I am getting a little confused, Mr. Speaker. The initial motion was that the fifth report of the Standing Committee on Transport and Communications, presented to the house on March 19, be concurred in. Now it has been amended, and the amendments have been amended, and the amendments to the amendments have been amended so often that I am not sure what I am talking about.

Some hon. Members: Oh, oh.

Mr. Peddle: Mr. Speaker, since I have been a member of this house may I say that I have never seen any hon. member opposite admit that he did not know what he was talking about.

Some hon. Members: Hear, hear.

Mr. Peddle: The house leader has attempted to keep this report from being adopted on the grounds that the transport committee had no right to make this recommendation to the house. That was his first contention and Mr. Speaker found his argument spurious, or at least invalid, and ruled accordingly. Maybe "spurious" is too strong a word, but the Speaker did rule against the President of the Privy Council.

Now, we have an amendment that the report of the committee be not concurred in and that the committee be instructed to go back like good little boys and do as they have been instructed. The President of the Privy Council comes in swinging, with his pugnacious look, with his shoulders up and his guard up, and he says that one of his little committees in his innocuous, watered-down committee system has dared to recommend something to the government.

The underlying reasoning of hon. gentlemen opposite seems to be, "look, after all this government has a majority. As we have a majority, how dare you recommend something to offend that majority." But, Mr. Speaker, the government also has something like a two to one majority on the committees of this house.

Some time ago, one hon. member opposite sent a circular to his constituents telling them that he had been instructed on exactly how to behave on committees. I doubt very much if an hon. member would print thousands of copies of such a circular and say something like that unless there was some justification for it. In any event, I believe it. I have a copy of the circular.

Mr. McGrath: Identify the hon. member.

Mr. Peddle: I don't know his constituency.

Some hon. Members: The hon. member for York East (Mr. Otto).

Mr. Peddle: The hon. member for York East.

When I and other new members first came to this house we were put at ease by the President of the Privy Council when we asked questions as to how we would get our views across. He used words to this effect, "Have no fear. Go into the committees and you will have every opportunity to put your views across. Don't worry about it. This is a new streamlined system; the new society, the just society. We are on the ball. You fellows need have no worry."

But, Mr. Speaker, where are the opportunities when you see the list of committees posted in the elevator and find that four prominent committees are holding sessions at 9.30 on the same morning?

Mr. Perrault: What are you talking about?

• (9:40 p.m.)

Mr. Peddle: I am trying to refer to the transport committee specifically, but I wish to make a general comment on how I feel about all the committees. I feel they dilute the parliament process. They are a deliberate fragmentation of parliament so that not only will the opposition be fragmented and key members of the opposition have to be in four or five different places at one time, but also so that the gentlemen of the press will be fragmented and will have to be in four or five places at one time. By so doing, the government can really promote the just society. But we know what they accomplish by that. Every piece of legislation, no matter how ridiculous, is pushed through with a very minimum of opposition. We know what the reasoning behind it is. We are told that this is a democracy.

Mr. Perrault: Let us not get political.

Mr. Peddle: I do not think democracy is necessarily a political word. We are told this is a democracy; I say it is a sugar-coated dictatorship, with a very thin coating of sugar. I have attended meetings of the transport committee when I was and when I was not a member of the committee. As the hon. member for St. John's East mentioned I tried to ask questions, but it was like trying to catch the proverbial greased pig; you just could not get anywhere. I remember asking questions in respect of the figures the Canadian National Railways used to support their application to abandon the rail passenger service in Newfoundland. I asked Mr. Pickersgill, the chairman of the Canadian Transport Commission, to please explain them to me. He said it would be a grave impropriety for him to comment on something produced by, I believe he said, a quasi-judicial body, whatever that means. What could I say! I waited until we had the executives of the C.N.R. before the committee. I asked them the same question. They said, "Far be it from us to comment on what takes place in a quasi-judicial body".

So, I began to wonder to whom we could appeal in order to ask these questions. The house leader, in the last day or two in this house, said that it was not proper for the committee, even though it is a creature of this parliament, to question the ruling of a quasi-judicial commission. How in the name of heaven are we to go about questioning the ruling of a quasi-judicial commission!

An hon. Member: What is it?

Mr. Peddle: I don't know; but whatever it is, how does one go about questioning it? Mr. Speaker, there are more lawyers in this house than one could shake a stick at. I remember counting them one time. I think I found there were six dozen, 72 lawyers. I might have a better grasp to how to figure out some of the legal situations if I were one of the six dozen, but unfortunately or fortunately, whichever way one looks at it, I am not. I think, however, that there must be some allowance made for the non-legal members who are here.

I might give an example. Many months ago I asked in this house for certain figures from the C.N.R. The Minister of Transport said, "Nothing doing, not permitted". In any event, by somewhat devious means I obtained the figures. I questioned Mr. Pickersgill, the chairman of the Canadian Transport Commission, about them and Mr. Pickersgill said, "Nothing doing; we cannot discuss that." I waited and then confronted the top executives of the C.N.R. with them and they said "Nothing doing; we can't talk about those things." So my question is, to whom can we go to direct questions and get answers. Since that time, we have come here and the President of the Privy Council says the samething. In effect he says, "Nothing doing". I am sure that in the laws of this country there must be some spirit of fairness, as there is in all laws. Whether one asks the questions in a legal form or not, there must be a spirit of fairness to our laws. If there is not, then to use the words of the former prime minister, just what kind of a government is this?

This is the very first day of Newfoundland's twenty-first year as a so-called partner in confederation. I do not think I should make any reference to the fact that it is commonly known as the "feast of all fools". I should like to comment on the remarks made by the hon. member for Burnaby-Seymour (Mr. Perrault). He mentioned that when this particular decision was made certain key members of the committee were absent. At that time I was not a member of the transport committee, but since the matters being considered so vitally affected my province and my constituency I went to St. John's when

the committee was sitting in St. John's. In order to allay any fears on the part of the hon. member for Burnaby-Seymour I might mention that I was just playing around. I went at my own expense. This is more than any member of the committee was doing at that time. I went there because the matters being considered were of great interest to my province—and the people of my constituency. I will go so far as to say that I observed the work of the transport committee while the members of that committee were in St John's. I watched them work as the hon. member of St. John's East said from morning until night.

I watched the members of the committee as they paid very serious attention to the problems that were at hand. I think it was around that time I decided I would very much like to be a member of the Transport Committee, a committee which worked and which really took its obligations seriously. Since that time I did become a member of that committee. We hear talk about appeals, the legal meaning of appeals and what it means to make a legal appeal to the Governor in Council and so on. I should like to point out, however, that regardless of the legal aspect of this thing, since this parliament opened in September past at least six members from the province of Newfoundland have been standing in their places time after time after time making appeals. After all, those six members represent six out of the seven ridings in Newfoundland. That is 86 per cent. I do not know whether it is 86 per cent of the people, but it is 86 per cent of the ridings in any event. Six M.P.'s have been standing here appealing to this government to do something about the decision that this so-called quasi-judicial body took with regard to railway passenger service in Newfoundland. But all that we have received, so far as I can see, has been derision. This is not the type of reception one would expect for Canada's newest province.

• (9:50 p.m.)

This afternoon the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) said that in his opinion this committee was sneaking in a recommendation. I made careful note of the term that he used. I think this is a shameful thing for a member on the government side to say and it is a manifestation of the lack of confidence members on that side have in the committee system. It is a reflection not only on the chairman of the committee but also on his colleagues who served on the committee.

This afternoon this hon. member, who I understand is learned in the law—God forgive—stood up and pontificated. He knew what were the problems of transportation in Newfoundland because he had been to St. John's. Glory be to God, he had been to St. John's, the capital of Newfoundland! There, he had taken a 30 mile trip on the train and a return trip on the bus. Then, he throws out his chest and says: "Hon. members, I know the score in Newfoundland; I am an expert on transportation problems there". I am sorry the hon. member is not here at the moment, but in view of his performance this afternoon I do not blame him for not being here.

I said I was not going to get stirred up about this matter and I am not. As I see the whole situation, the big, heavy, horny, hoary, hands of the government clamp down on anyone that dares to oppose. Sometimes I feel Jack Pickersgill is not too far removed from this chamber.

We talk of the transport commission as being a quasi-judicial arm of this government. I do not like personal reflections, Mr. Speaker, and I hope this is not construed as such. Neither do I like to reflect upon any judicial body, if the transport commission is such. But my experience has been that when this commission did consider the application of Canadian National Railways to abandon its rail passenger service in Newfoundland, it did not act as a quasi-judicial body but as a grandiose group of glorified rubber stamps. They did not know the first thing about the matter on which they were deciding. That has pretty well been proven—

Mr. Perrault: Why did you not file a formal objection then?

Mr. Peddle: One was.

Mr. Perrault: Who by?

Mr. Peddle: One was, Mr. Speaker. I hope this is related to the motion, but in support of the C.N.R.'s application to abandon rail passenger service in Newfoundland a figure was produced that indicated a deficit in 1966 of $918,000. I should like to question that figure and also ascertain in what way this quasi-judicial body understood the figure. The amount of $918,000 averages out to $1.85 for every person in Newfoundland, and if that is what is required to run a provincial transportation system then this is the "big deal" to which everyone is objecting.

With all these fine sounding legal expressions, such as "quasi-judicial" and so on, Mr.

Speaker, I could go on ad infinitum, but I think it is about time I took my seat.

Mr. McGrath: Mr. Speaker, I should like to rise on a question of privilege. During the course of my interruption of the speech of the hon. member for Burnaby-Seymour (Mr. Perrault) I quite erroneously stated that the hon. member for Calgary South (Mr. Mahoney) and the hon. member for London East (Mr. Turner) were present during the drafting of the report of the committee. I now find they were not present and I apologize to the two hon. members for having said that they were. However, having said that I say there were still six of the 11 regular Liberal members of the committee present.

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, may I ask the government house leader or his deputy what will be the business of this house for tomorrow so we will all be advised.

Mr. Macdonald (Rosedale): The three agricultural bills that we were supposed to have dealt with today, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

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

AIR CANADA—HIRING OF PART-TIME EMPLOYEES

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, yesterday, during the oral question period, I asked the Minister of Transport (Mr. Hellyer) whether Air Canada had advised him of its intention to hire 150 part-time employees at its airports in Montreal, Toronto and Vancouver.

In fact, Mr. Speaker, Air Canada is thinking of hiring soon for part-time employment 50 persons at Montreal, 60 at Toronto and 40 at Vancouver. I am somewhat puzzled by the fact that this Crown corporation should be considering such a thing.

Having looked into the financial report for the year ending December 31, 1968, which was prepared by experienced auditors and submitted to parliament, I am asking myself the following question: How can such an important company contemplate adopting a policy now followed by French fries and ice cream vendors?

How can a company whose services are in great demand, which had to increase substantially its flights, which has paid for the use of federal airports approximately $12,000,000 in 1968, namely an increase of 24 per cent compared to 1967, and whose operation revenue for the same period amounted to $387,628,000, an increase of 12 per cent over 1967, think of hiring part-time employees?

Mr. Speaker, I have always attached the utmost importance to the services of Air Canada, because it insists on a well-trained personnel who must not make any mistake. Since the training of a good Air Canada representative requires a three-year course of instruction, at the rate of eight hours a day, can the company afford giving questionable service by hiring representatives who would be qualified in five or six years? Is it entitled to expose the public to all the disadvantages resulting from the presence of an employee who is not interested in his work and will probably look for a permanent position elsewhere?

As in all small businesses where part-time employees are found, at Air Canada the responsibilities are always left to permanent employees. Is Air Canada considering the possibility of creating within its organization, some easy jobs for part-time employees?

Since surveys made by serious people have proven that part-time labor is more expensive, why put 150 such employees on the payroll? Would it not be more economical to hire 75 full-time employees? Has the company considered the psychological problems that would arise from the integration of part-time workers to the permanent staff? Has it consulted its 16,600 employees in order to get their views on the subject?

When Air Canada signed collective agreements with the unions negotiating in the name of different categories of employees, did it make this plan known?

Since part-time employees cannot become members of unions, does it foresee possible strikes and does it rely on the part-time workers to break them? Or does it actually depend on those future employees to break the B.O.A.C. strike?

• (10:00 p.m.)

Mr. Speaker, since at the Montreal Airport alone the number of flights is approximately

200 per day, it is obvious that there are no idle periods and that, in that Corporation, there is room only for permanent personnel.

Therefore, I ask the Minister of Transport to remind that Crown Corporation that the benefits which it enjoys are commensurate with the responsibilities it has to discharge.

Mr. H. E. Gray (Parliamentary Secretary to the Minister of Finance): Mr. Speaker, I shall give this reply on behalf of the Minister of Transport who pointed out to me that Air Canada informed him of its intention to hire extra salesmen during the busiest periods in the summer. Those employees will be assigned to airport and downtown offices. They will be allotted as follows: 37 in Montreal, 5 to 10 in Toronto and 12 in Vancouver. That was the reply I got, Mr. Speaker.

[*English*]

INCOME TAX—REQUEST FOR EXEMPTION OF OLD AGE PENSIONERS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, during the oral question period this afternoon I raised a question which I have asked a number of times, having to do with an unfortunate anomaly that has developed in our income tax structure. I raise the question again tonight in the hope that by continued persuasion we can ensure that action will be taken on this matter at an early date. I am referring to the fact that with the income tax exemption levels still where they were in 1949, and with the amounts paid as old age pension having gone up, we have reached the situation where older people, particularly those between the ages of 65 and 70, who receive the old age pension and the guaranteed income supplement but have nothing else on which to live, have to pay income tax on a portion of that meagre income.

I repeat what I have said before, that I am sure this was never intended. It is one of those anomalies that develops because legislation is changed here and there and in other places; but I feel very strongly that it should not be allowed to continue.

I noticed this afternoon when I asked my question that there seemed to be pretty general support in all quarters of the house for the implied suggestion that people who have nothing else but their old age pension and their guaranteed income supplement should not have to pay any income tax at all. One of the occasions when I raised this was on Friday, February 21, 1969, as recorded in *Hansard* at page 5797 when I asked the Minister of Finance (Mr. Benson) if he would correct this situation in this session. His reply was:

> Mr. Speaker, I will be glad to consider the very serious representations of my hon. friend.

A few days later, in fact it was on March 5, 1969, as recorded in *Hansard* at pages 6221 and 6222, we had a discussion of this matter on the late late show and the parliamentary secretary to the Minister of Finance (Mr. Gray) very graciously replied that there was nothing he could add to what the Minister of Finance had said, namely that he would be glad to consider the serious representations which I had made.

I raised the matter again on Monday, March 17, in a motion that we had set down for an allotted day. It was a motion that had to do generally with old age pensions, the position of veterans on the war veterans allowance, and so on. The motion included a request that certain income tax anomalies be straightened out. One particular anomaly I had in mind, and I so stated, was the unfairness of pensioners who have nothing else but their pension income having to pay tax on it. During the course of that day's debate, the Minister of National Health and Welfare (Mr. Munro) participated, and at one point he referred to part of my motion. His reference is recorded at page 6703 of *Hansard*. He made the categorical statement that revisions of our tax laws were receiving a great deal of attention and that one of the purposes of these revisions was to deal with this kind of anomaly. I was pleased to get that statement and responded by saying to the minister that I would hold him to what he had said.

That same day I took the liberty of interrupting the Minister of Veterans Affairs (Mr. Dubé) when he was speaking and I asked him whether he would support the Minister of National Health and Welfare in trying to persuade the Minister of Finance to correct some of these income tax anomalies. I made reference in particular to war veterans who are called upon to transfer from the war veterans allowance to the guaranteed income supplement, who then find that it is taxable and that they have to pay taxes which they did not previously have to pay. The Minister of Veterans Affairs replied that my assumption was correct.

I am developing a fairly impressive roster. I have the Minister of Finance agreeing to

give consideration to my representations. I have the parliamentary secretary to the Minister of Finance assuring me that this consideration will be given by his minister. I have the Minister of National Health and Welfare and the Minister of Veterans Affairs both adding their support to this proposition.

I say to the parliamentary secretary before he answers me tonight that I know I cannot expect a pre-budget announcement in the course of a late show, but I do emphasize as strongly as I can that this is one of those small but gnawing issues that should not wait over until a complete review or for a white paper, or until next year's budget. The minister has yet to bring in at this session his bill to amend the Income Tax Act. In it will be something that we do not like, that is the 2 per cent social development tax. He could sweeten the bill a bit if he could include in it at least a temporary provision so that old age pensioners who have nothing else but their old age pension are not required to pay income tax.

• (10:10 p.m.)

This could be done by means of a tax credit. It could be done by making the supplement not subject to taxation. It could be done by restoring the $500 exemption to those between 65 and 70, or in some other way. It can be done if the government has the will to do it, and I think I am correct in saying that the government will be responding to the wishes of members in all parts of the house if it takes action along these lines this spring. I hope the parliamentary secretary can assure me tonight that favourable consideration will be given to these representations.

Mr. H. E. Gray (Parliamentary Secretary to the Minister of Finance): The point raised by the hon. member this evening has been raised by other hon. members on all sides of the house in the past. I myself raised this question in the house on a previous occasion, prior to the remarks made by the hon. member this evening, so he is not bringing this matter to the attention of the house and of the government for the first time.

This is the type of case which is now under review in connection with the government's work of preparing a white paper in which it will set forth its program of tax reform. The Minister of Finance (Mr. Benson) has stated that it is his intention to present this document to the house this coming June. However, I shall be pleased to bring the hon. member's representations to the attention of the minister. I am sure he will add them to the others he has already received on this important matter from other members of this house and will give them, along with these other representations, every appropriate consideration.

PUBLIC BUILDINGS—BATH-MILLHAVEN FEDERAL PRISON COMPLEX

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): I rise this evening, Mr. Speaker, to pursue a question I asked on March 19 regarding certain n.s.f. cheques written for services in my area by the now bankrupt subcontractor on the Bath-Millhaven federal prison complex, D. Leblanc Inc. of Chomedey, Laval, Quebec. I brought up this matter on February 25 when I interceded on behalf of those who had received n.s.f. cheques for labour on this project.

I am not here tonight to embarass the government. The government is certainly embarrassed enough already, due to the fact that this subcontractor was not bonded. I thank the minister for his response to my plea of February 25 when he assured me and the labouring men of my riding who have been so rudely treated that $30,000 would be withheld from progress payments to Argo, the prime contractor, and applied toward payment of n.s.f. cheques submitted to Argo for labour.

However, there is another side to this serious question and it is this aspect which I am raising tonight. Leblanc, in its capacity as a contractor on this job, arranged for several of its key personnel to obtain lodging, room and board in the vicinity of the prison site. In one case, these services were provided by the Millhaven Inn, a small hostel operated by L. G. Savage of Bath, Ontario. Leblanc agreed to pay for lodging for his men at this establishment, and I have here photostat copies of these n.s.f. cheques given to Mr. Savage for his services. I also have a photostat copy of the total owing to Mr. Savage by Leblanc, namely, $1,099.50.

These cheques were, of course, for services, not directly for labour. Mr. Savage told me in a letter of March 10 that he had contacted the Argo claims representative, a Mr. Caron in Montreal who was handling the Argo-Leblanc affairs and Mr. Caron stated that as far as Argo was concerned Mr. Savage and any other local people holding Leblanc n.s.f. cheques for services had no hope of getting their money because they—meaning Argo, the

surviving prime contractor—were interested only in labour, that is, wages.

It is a fine situation, Mr. Speaker, when an unbonded contractor, an unknown in our province, can get a contract from the federal government, come in from Quebec, or any other province, obtain thousands of dollars worth of labour and services, pay for them, supposedly, with worthless cheques and then disappear into his native province while his debts and obligations go unsatisfied. This cannot be allowed, Mr. Speaker. If the Prime Minister (Mr. Trudeau) were here tonight I would say to him that this is a long way from the just society he advocates. In fact, I would make a wager with the Prime Minister or any of his members that no contractor from Ontario would be able to get a federal job in Quebec. There would be some technical point or option whereby this government and the provincial authorities in Québec would make sure a federal government contract in the province of Québec would be awarded to a Québec contractor. I am not saying that is not a good idea, for Quebec, Mr. Speaker. For example, just last week when awarding defence contracts for the new green uniforms for the unified forces Québec received the lion's share of these contracts.

I now cite the case of Napanee Industries who last year lost a $3 million equipment contract for the C.N.R. The successful bidders were Québec firms which were provincially subsidized for their success in getting federal contracts. This, of course, was not a building contract. It was a manufacturing contract for flatcars and railway equipment. This type of business hurt us badly in Napanee because it forced Napanee Industries to lay off many men at the beginning of the winter. It is time that Canadians, region to region and province to province stopped this deception, intrigue and discrimination and became forthright and honest with each other.

The government three weeks ago assumed basic responsibility for all n.s.f. cheques issued by D. Leblanc Inc. at the Bath Millhaven project to the extent of $30,000. They must also assume this responsibility to Mr. Savage for the n.s.f. cheques that Mr. Savage has accepted for services.

I have a copy of Mr. Savage's letter from which I quote:

> As arranged with D. Leblanc, C. Leblanc and C. Pomerleau, owners of the company, all accounts to the Millhaven Inn would be paid by the company and they in turn would deduct, room, board and rent from the employees, thus avoiding any loss to us in the event of layoffs or strikes.
>
> This arrangement worked well from November 12, 1968 to January 24, 1969.
>
> I also understand that employees are allowed in the region of $7 per day living allowance when they are away from home and this pays for room and board and becomes part of income for tax purposes. Therefore I submit that wages earned includes living allowance, travel allowance, etc., and that Leblanc n.s.f. cheques for these services should be recognized for restitution the same as labour.

There is plenty of labour connected with providing room and board to labouring men. To continue Mr. Savage's letter:

> An interesting point to me is why from the time I deposited my cheques on the 27th of January did it take 18 days from deposit date for them to return to me n.s.f.
>
> I took the matter up with my bank manager and he feels that the La Banque Provinciale du Canada in Montreal held them, pending payment by Argo to D. Leblanc, and they, in turn retrieved what D. Leblanc owed them and then sent my cheques and many others back to Ontario n.s.f.
>
> I heard that $37,000 was credited to their account a few days before bankruptcy.

I have another letter here from Mr. Reginald Harkness of Bath, Ont. who worked for them. He asks the following question:

> 1. How one can collect pay and vacation pay owing.
>
> 2. How can a company such as Leblanc remove union dues from employees pay and yet these were never received by union.
>
> 3. How can a company being from Quebec be immune to paying hospitalization.

• (10:20 p.m.)

I believe it is an Ontario law that requires them to pay hospitalization if they have so many employees on the payroll—

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member but his time has expired.

[*Translation*]

Mr. Paul Langlois (Parliamentary Secretary to the Minister of Public Works): Mr. Speaker, first of all I wish to inform the house that certain facts mentioned by the hon. member for Frontenac-Lennox and Addington (Mr. Alkenbrack) are not relevant to the question that was to be debated tonight.

I wish to tell the hon. member that when contracts are awarded by the government, by the Department of Public Works as well as by other departments, they are awarded to the lowest bidder, whether he be a resident of Quebec, Ontario or any other province.

[*English*]

To come back to the case that interests us tonight, Mr. Speaker, I have previously advised the hon. member for Frontenac-Lennox and Addington (Mr. Alkenbrack) that the government has taken action to protect the payment of wages to personnel who worked on the project he refers to, namely, the maximum security institution at Millhaven, Ontario. The department will also investigate claims for payment for materials used in the construction of this project.

Claims arising from supplementary arrangements made by the subcontractor off the job are normally dealt with under the trustee in bankruptcy, if such is declared. The individual should file his claim for consideration by the department, but a guarantee of payment cannot now be given.

The government recognizes the problem of suppliers of services to subcontractors, and the Treasury Board committees on contract procedures has considered double bonding and other means beyond the provisions of our recent contracts. The protection now offered is more than applies with other contracting agencies. However, whether more responsibility should be accepted has not yet been determined by the government.

Motion agreed to and the house adjourned at 10.25 p.m.

HOUSE OF COMMONS

Wednesday, April 2, 1969

The house met at 2 p.m.

ROUTINE PROCEEDINGS

[*Translation*]

COMMITTEES OF THE HOUSE

Third report of standing committee on justice and legal affairs—Mr. André Ouellet (Papineau).

Fifteenth report of Standing Committee on Finance, Trade and Economic Affairs, in French and in English—Mr. Gaston Clermont (Gatineau).

[*Editor's Note: The text of the foregoing reports appears in today's Votes and Proceedings.*]

[*English*]

EASTER RECESS

ADJOURNMENT APRIL 2 TO APRIL 14—FAILURE TO MAKE STATEMENT ON NATO—REQUEST FOR HOUSING REPORT

Hon. Donald S. Macdonald (President of the Privy Council) moved:

That when the house adjourns at the conclusion of the sitting on Wednesday, April 2, 1969, it shall stand adjourned until Monday, April 14, 1969, at 2:00 p.m.,

Provided always that if it appears to the satisfaction of Mr. Speaker, after consultation with Her Majesty's Government, that the public interest requires that the House should meet at an earlier time during the adjournment, Mr. Speaker may give notice that he is so satisfied, and thereupon the House shall meet at the time stated in such notice, and shall transact its business as if it had been duly adjourned to that time, and

That, if Mr. Speaker is unable to act owing to illness or other cause, the Deputy Speaker or the Deputy Chairman of Committees shall act in his stead for the purpose of this order.

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

Mr. David Lewis (York South): Mr. Speaker, it is obvious that the motion to adjourn today for the Easter recess is a sensible one, but I rise on behalf of my colleagues and myself to protest as vigorously as I can against the fact that the Prime Minister (Mr. Trudeau) has not carried out a hope which all of us had, namely that before the house adjourned for the recess he would inform parliament as to the decisions of the government on some aspects of the foreign policy and defence review, particularly with respect to Canada's role in NATO.

The Prime Minister has emphasized on a number of occasions that this decision of the government had to be made and had to be announced at least before if not on the day of the meeting of the Council of NATO in Washington, which I think will be on April 10. Since we have not got any statement today it obviously means that the announcement about the policy will be made during the parliamentary recess. I suggest to you, Mr. Speaker, that this is another example of the cavalier way in which the Prime Minister and his colleagues are treating the House of Commons and parliament.

This is where so important a matter as an announcement of the decision on the policy of Canada's role in NATO ought to be made, so that representatives of other parties in the house may have an opportunity to express their views about the policy on which the government has decided.

I fully appreciate, and I think every other member of the house does, that it is a matter of great importance and that the cabinet had to have time to consider it. But let me remind you, sir, and other members of the house and the people of Canada that this blessed review of foreign and defence policies has gone on for months and that there have been discussions and conferences and arguments for God knows how long.

Last December 4, as recorded at page 3485 of *Hansard*, the Leader of the Opposition (Mr. Stanfield) asked some questions on this matter, to which the Secretary of State for External Affairs (Mr. Sharp) replied. During one of his replies he said:

After the review is completed the intention is to publish a white paper, which would then of course be open for debate.

We have had no white paper. We have had no indication as to what the government policy is. We are all to recess for Easter without hearing that policy, and that policy will be announced outside parliament by the Prime Minister, in front of the television cameras or

elsewhere. Mr. Speaker, I cannot condemn strongly enough this cavalier treatment of parliament. We might as well all be home and listen to the Prime Minister announce his policies over the television screen, if this is the way he and his government are going to act.

• (2:10 p.m.)

We have had not only this review by the government and by agencies of the government but we have had a parliamentary committee which has met for months, which has taken evidence in Canada, which spent two weeks travelling through Europe, and which made a report. It so happens that I do not agree with the majority report, but the committee did make a report to this government. All these reviews inside and outside parliament have taken place and the Prime Minister is not yet ready to make that statement to the house. It may be that the division in the cabinet is so catastrophic that the Prime Minister, with all his intelligence and skill, is unable to solve the problem inside his cabinet. That is his blessed problem. There is no reason this parliament should be treated in this way. If the Prime Minister should make an announcement about the government's NATO policy tomorrow, as may well be the case, or on Friday or Saturday as will certainly be the case, then I say I do not believe the Prime Minister does not know the policy today. I say the only reason he is not making the statement today is that he has no respect for the House of Commons and for parliament and wishes to make the statement outside.

After all these discussions and all these meetings in and outside cabinet, no one can tell me that even this government has been unable to reach a decision on what its policy is, or that even this Prime Minister has been unable to heal the rift in his cabinet about which newspapermen have been writing. I believe that Canada's defence policy is of extreme importance to our country at the present time. Involved in it is not only the attitude of the government toward NATO, but also other areas such as NORAD, our policy in respect of foreign aid and all the other things that are involved in our foreign policy. After these months of promises and negotiations this parliament ought to hear it.

I hesitate, if I may use the expression with your permission, Mr. Speaker, to be a stinker—or let me put it more accurately, to be so much of a stinker that even I would recognize it; but if I were that way I would be very much inclined to ask that the house defeat this motion, except that this is Wednesday and the day after tomorrow is Good Friday. Members of the house have a right to have time to get home to meet their families and the people in their constituencies. After all, I do not believe it would be sensible, fair or reasonable to oppose this motion.

However, I do rise to protest in the strongest possible language the Prime Minister's behaviour in refusing to let us have the government's policy on NATO at least after months and months of promises that this would be done prior to April 10 and if at all possible prior to the adjournment of the House for the Easter recess. There is no reason this should not have been possible, except for his cavalier attitude toward the House of Commons.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think I can be very brief. I wish to assure the house and the hon. member who has described himself as a stinker, that my attitude is not one of being cavalier toward the House of Commons. If we had an announcement to make today on NATO policy obviously I would be prepared and delighted to make it today. The discussions we have been having on the NATO issue have been going on in various cabinet meetings. We could not make the decision after the weekend of March 15-16, which was the first date set for the weekend meetings of cabinet to review our whole policy, because the parliamentary committee did not bring in its report until I believe a week ago today. That is the reason the latest input into our study and review had to be taken into account; that is why we could not meet the early deadline we set for ourselves, but which we had not announced publicly.

We had hoped that within a week of our meeting on the 15th and 16th we would be able to announce our policy so as to be in time for the Easter adjournment. At the legitimate demand of the house we postponed these weekend meetings to accommodate the parliamentary committee, in order that we could study its report, which we did over this past weekend. Cabinet is in discussion now and has another meeting tomorrow. I hope after that meeting to be in a position to make an announcement. If the hon. member wants to stay around I will be delighted to have him present when I make the announcement. I have no particular desire to make this announcement exclusively for my friends in the press gallery; I would prefer to make it to

the house. If hon. members of the house want to stay around tomorrow, I am sure we could accommodate them.

Some hon. Members: Hear, hear.

Mr. Trudeau: We will not be rushed, pushed or bullied into making an announcement before we are ready for it.

Some hon. Members: Hear, hear.

Mr. Trudeau: Our commitment was to prepare a white paper and to permit the house to debate our foreign policy and defence review. This is still our commitment. The deadline to have this ready by April 10 is not of our making. We should prefer to have this matter considered by the house in a debate on the entire white paper. It is more difficult, and not easier, for us to have to make a decision on NATO before we have made a decision on other aspects of our foreign policy and defence policy. Since we are faced by a deadline, which was set by our international obligations, we have done our best to meet it. We have done so in all due haste, but without undue rush. We will continue our meetings until we are in a position to make the announcement. This may be tomorrow; it may be the day after, or it may be after Easter. We shall have to make some announcement before the 10th and I will be perfectly happy to have the hon. stinker invited to the press conference.

Mr. Lewis: Mr. Speaker, may I ask—

Mr. Speaker: Does the hon. member wish to ask a question?

Mr. Lewis: Yes, Mr. Speaker. May I ask the Right Hon. Stinker a question.

Some hon. Members: Order, order.

Mr. Lewis: May I ask him whether, if the house sat tomorrow, we could have a direct undertaking that he would make a statement on NATO policy tomorrow.

Mr. Trudeau: Mr. Speaker, I would reply as I replied yesterday to a similar question, that I will do my best to make an announcement tomorrow, but I cannot guarantee it.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I do not rise to lecture the Prime Minister on his use of language. I do not think the hon. member from the N.D.P. referred to him as a stinker.

Mr. Trudeau: Let him defend himself.

Mr. Stanfield: I do not think it will forward our defence policy very much for the Prime Minister to refer to the hon. member in that way. It may be that if disagreements within the cabinet are as deep as they appear to be one could overlook what has been said, as the result of some exasperation which has nothing to do with the hon. member from the N.D.P.

I find it difficult to understand why the government has needed nine months to reach a decision about the appropriate role this country ought to play in NATO.

Mr. Benson: There is also the question of the last twenty years.

Mr. Stanfield: I do not think the country can understand why it has taken so long and I do not think this government was justified in keeping our associates in the alliance in doubt for this length of time.

Some hon. Members: Hear, hear.

Mr. Stanfield: The Prime Minister, I think, has no excuse to offer the people of Canada. I am not prepared to say, however, that he is guilty of flouting parliament. I say that, not knowing what difficulties he is having with his cabinet colleagues. It may be that the difficulties—

• (2:20 p.m.)

An hon. Member: What about your difficulties?

Mr. Stanfield: I will deal with my own difficulties. We are now discussing the difficulties of the Prime Minister.

Mr. Benson: What is your policy?

Mr. Baldwin: Don't be silly.

Mr. Stanfield: Mr. Speaker, I am aware that my hon. friends are bothered somewhat by this discussion, but they might sit and listen. I will be through in just a moment.

Mr. Benson: We are amused.

Mr. Stanfield: My hon. friend may be amused by me, but I can tell him that the people of Canada are not amused by the government.

An hon. Member: Sock it to him!

Some hon. Members: Oh, oh.

Mr. Stanfield: We are confronted with one of two choices. We have to assume that the

Prime Minister is flouting parliament—and I do not assume that easily—or we have to assume that the government is such a vacillating creature that it is unable to make up its mind on this policy after such a long period of time. The government has to make a choice; we have to make a choice—and it is not a very happy choice for us to make.

Mr. A. D. Hales (Wellington): Mr. Speaker, I think all members of the house would agree that in order that we might have some dignity and decorum in the house, those who used the word "stinker" on either side should agree to having it erased from *Hansard*, so it will not go out across this country.

Mr. Speaker: Order, please. I doubt whether the house is in a position to do what the hon. gentleman suggests might be done. My impression was that the word was used by the Prime Minister and the hon. member for York South more in jest than in seriousness.

Some hon. Members: Hear, hear.

Mr. Speaker: It is in this way that I interpreted their use of the epithet, which in other circumstances would certainly be unparliamentary. This would be my ruling.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker—

Mr. Speaker: Order, please. Is the right hon. member for Prince Albert rising on a point of order or question of privilege?

Mr. Diefenbaker: I was just going to make a suggestion regarding the ruling that you made, Mr. Speaker. I think it would be very helpful. In the Parliament of the United Kingdom, on one occasion the leader of the opposition, the Right Hon. Winston Churchill, referred to the government as a "lousy" government. Because there were calls for him to withdraw, he rose and said, "I do not use the word "lousy" in an opprobrious sense. It is merely an anatomical description of a fact". I assume this applies to the use of the word "stinker" which has now found its way into the records of parliament. It is however a most undignified expression for one hon. member to apply to another.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, the hon. member for York South (Mr. Lewis) said he was surprised that the right hon. Prime Minister did not make his decision known in a normal way. As far as we are concerned, we do not find it surprising at all because this is the manner in which the right hon. Prime Minister usually conducts public affairs, and this is what happens when a government has the majority.

Mr. Speaker, we of the Ralliement Créditiste greatly deplore that Parliament is told of decisions after everybody else. We are, thus, in a position of inferiority towards the public and other countries.

The decision that will be made public regarding NATO is the responsibility of the Department of External Affairs and I think that as representatives of the people members of Parliament should be the first ones to hear about government decisions. This way, we would be in a better position to discuss government plans. In fact, if things remain as they are, we shall feel that we are useless, or rather that the government has no consideration for us.

In my opinion, Mr. Speaker, this policy will soon be judged by the people. All those things will be made public one day and the people will then be able to decide.

I have been following personally for a few months the proceedings of the parliamentary committee on external affairs and national defence and I have been so far under the impression that the report to be tabled by the committee would not mean much, even after their European trip. It was my impression that the government had already made up its mind.

I shall close my remarks by asking the Prime Minister to assure us, even if his decision regarding NATO is not announced in the house, that it will be made known at least to Washington prior to April 10, so that we may know that the Canadian government's decisions do not come from Washington.

[*English*]

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I had not intended to take part in the discussion of this motion—

Some hon. Members: Oh, oh.

Mr. Brewin: —but I do not propose to vote for this motion without receiving some explanation from the Minister of Transport (Mr. Hellyer) who is in charge of housing on what has happened to his urgent recommendations in regard to the problem of housing. Some time in January, I think it was January 27 or 28—

Mr. Speaker: Order, please. I do not propose to interrupt the hon. member for too long. I realize that he has a contribution to

make to the debate, but I have some doubts as to the procedural propriety of hon. members rising on a motion, which is an adjournment motion, to discuss every item of government business.

An hon. Member: Why not?

Mr. Speaker: It seems to me it would make the discussion rather irrelevant so far as the motion is concerned. I think the hon. member should limit his contribution to the discussion of the motion which is before the house, in other words relate the subject on which he intends to speak to the motion of adjournment.

Mr. G. W. Baldwin (Peace River): I should like to rise on a point of order, Mr. Speaker, to say that I agree with Your Honour, because if we were to take the time of this house to discuss all the matters with respect to which the government has done nothing, we would be here for the rest of the day.

Mr. Woolliams: For a year.

Mr. Brewin: I propose to be very brief. I want to relate what I am saying to the question of adjournment. I say that this house should not adjourn until it has heard from the Minister of Transport some account of what is to be done with the urgent problem of housing.

The minister has had plenty of warning. As I mentioned before, he has spoken on the subject as long ago as January, and the task force, of which he was chairman, presented a report. On February 4 the minister said that he was making urgent representations in writing to the cabinet. We have then had frequent questions about this matter, and at one stage I think the minister gave a clear undertaking that legislation would be available before the spring building season came about. We all know that spring is upon us at this stage, whether or not we can see it from looking outside.

• (2:30 p.m.)

I think it is perfectly obvious that the Minister of Transport has not been able to persuade his cabinet colleagues to agree to the urgent representations which he said he was making to them. What I suggest is that he should either make a statement to this house or else, because the subject is so urgent and so near to his heart, he should present his resignation to the Prime Minister. At least one of these courses should be taken. I, for one, do not propose to support a motion for adjournment until we have had a statement from the Minister of Transport.

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

Some hon. Members: On division.

Motion (Mr. Macdonald, Rosedale) agreed to, on division.

FINANCE

TABLING OF PUBLICATION RESPECTING INVESTMENT

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I should like to table copies in English and in French of the publication Private and Public Investment in Canada, Outlook for 1969, pursuant to Standing Order 41 (2).

CANADA ELECTIONS ACT

MOTION TO REFER REPORT OF REPRESENTATION COMMISSIONER TO STANDING COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council): There have been certain discussions following the statement I made yesterday with respect to the review of the Canada Elections Act, and if the house is prepared to give consent I will be prepared to move today:

That the Report of the Representation Commissioner on methods of registration of electors and absentee voting, 1968, made pursuant to section nine of the Representation Commissioner Act be referred to the Standing Committee on Privileges and Elections.

If the house would agree to give consent, perhaps I could put that as a motion.

Some hon. Members: Agreed.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should just like to say that we are prepared to consent to this motion, but in doing so, may I express the hope that during the Easter recess consideration will be given to my suggestion of yesterday that the question of election expenses be referred to some other committee, perhaps even to a special committee?

Mr. Macdonald (Rosedale): It is because of the hon. member's representation yesterday that we did not put the omnibus order to which I referred.

Motion agreed to.

Business of the House

BUSINESS OF THE HOUSE

WEEK FOLLOWING EASTER RECESS

Hon. Donald S. Macdonald (President of the Privy Council): I think it might be helpful to hon. members if I were to give some indication to the house now of the order of business we propose to call during the week commencing April 14.

The first item will be No. 64 on the order paper, Bill C-184 with respect to the Canadian telecommunication satellite. The second item will be No. 63, Bill C-183 with respect to the Export Development Corporation. The third will be the omnibus Criminal Code bill in connection with which the report was introduced today. I might indicate that it will not be our intention to call this on Monday, so that hon. members might have the opportunity to examine the proceedings and, up until six o'clock on Monday to file any amendments they might wish to put forward on the report stage. Thereafter, time permitting, we would call as the fourth item No. 65 on the order paper, Bill S-23 to amend the Canada Shipping Act.

Mr. Eldon M. Woolliams (Calgary North): I wonder if I might say a word on this, Mr. Speaker. I am not being critical of the order of business, but I would remind the hon. gentleman with reference to the Criminal Code bill that we have not as yet received the full proceedings from the committee. Many amendments were moved by members on all sides of the house. Some were approved by the committee and others were disallowed—I presume the latter will be moved again in the house. Monday does not give us much time in which to prepare those amendments, and I hope the leader of the house will take this into consideration in the light of the new rules under which amendments must be in your hands, Mr. Speaker, or in the hands of the Clerk, by a certain time.

Mr. Hellyer: Prepare them in advance.

Mr. Woolliams: Perhaps we could have some comment from the President of the Privy Council.

Mr. Macdonald (Rosedale): My understanding is that the evidence will be available in the very near future. The hon. member will have about ten days in which to get ready.

[Mr. Macdonald (Rosedale).]

Mr. Lambert (Edmonton West): The proceedings are not out.

Mr. Macdonald (Rosedale): My understanding is that the proceedings will be out in time for preparations to be made.

Mr. Stanley Knowles (Winnipeg North Centre): May I say a few words, Mr. Speaker? I do not speak particularly for myself because I have already given the Table the amendments we wish to move at the report stage. However it does seem to me that the minister's assurance that the bill will not be called for the report stage on Monday should be underlined, so that members will have an opportunity on that Monday to file notices, and thus meet the 24-hour deadline so that their amendments can be considered on Tuesday. If we have this assurance it seems to me that the number of days between now and April 14 allows plenty of time in which to get amendments ready.

Hon. Robert L. Stanfield (Leader of the Opposition): I think the President of the Privy Council is being unreasonable in suggesting that the amendments should be in by the evening of Monday, the day on which the house reconvenes. I do not wish to say anything offensive; we do not run a dictatorship on this side of the house, and the chairman of the committee has taken it upon himself to supply all the amendments which will be put forward on behalf of this side.

Surely, in relation to a bill of such consequence to hon. members and to so many people in the country, a day or two would be more reasonable, and anything less would not be reasonable in connection with the preparation of motions concerning this matter. I would remind the house leader that hon. members are going to be all over the country, even out of the country, some of them. Two or three days following the reconvening of the house would surely be a very reasonable minimum period to be allowed for the preparation of such amendments.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, the President of the Privy Council (Mr. Macdonald) is not giving much choice or time to the members of the committee, and particularly to those who were not members, to peruse the proceedings of the committee and prepare amendments for Monday evening at the latest. This means that we shall not be

able to meet the other members of Ralliement Créditiste in order to study the amendments we might want to move.

In my opinion, the President of the Privy Council, in taking such a stand, will prevent us from giving serious consideration to the report of the committee, from preparing the amendments we might have to suggest. He is not giving us enough time to discuss the amendments which could be made to such an important piece of legislation.

[*English*]

Hon. Marcel Lambert (Edmonton West): I wish merely to put in a plea for some consideration for hon. members who live a long way from Ottawa. It is all very well for those who are here to say that the proceedings of the committee will be in the hands of hon. members within the next day or two. Even if they were ready, hon. members like my hon. friend from Calgary North and others who live in distant provinces must rely on the pony express service of the Postmaster General and will not have these reports until, perhaps, the middle of next week. Again I put it to the President of the Privy Council that his decision is predicated upon the periphery of Toronto and not of Vancouver or Halifax. This should have been taken into account. I venture to say that committee reports sent out by members' secretaries will take five or six days to get to Vancouver.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

INCOME TAX PAYMENT BY CANADIAN PACIFIC RAILWAY

Question No. 1,054—**Mr. Thomson:**

1. Has the Canadian Pacific Railway Company witheld payment of its income tax assessment regarding two of its railroad subsidiaries in 1962, 1963, 1964 and, if so (a) what reasons were given (b) has the government initiated legal proceedings against the CPR Company?

2. Has the Canadian Government settled out of court with the Canadian Pacific Railway Company and, if so, for what amount?

3. Was the amount lower than the original assessment and, if so, what are the government's reasons for the acceptance of the lower figure?

Hon. Jean-Pierre Côté (Minister of National Revenue): Parts 1, 2 and 3. Two subsidiaries of the Canadian Pacific Railway Company appealed to the Exchequer Court of Canada against income tax assessed for 1962, 1963 and 1964. The parties have reached an agreement settling the matters in dispute. Apart from the foregoing, the information requested is confidential and cannot be disclosed.

SPORTS DONATIONS AS INCOME TAX DEDUCTIONS

Question No. 1,200—**Mr. Paproski:**

1. In respect of what branches of amateur athletics are contributions by business and industry deductible for income tax purposes?

2. For what reason or reasons has the government not seen fit to allow for income tax purposes in respect of contributions by business and industry to any or all branches of amateur athletics in Canada?

3. Will the government not give consideration to implementing a policy of allowing the deductibility of contributions to amateur sport as a means of generally improving the level of athletic activity in Canada and internationally?

Hon. Jean-Pierre Côté (Minister of National Revenue): 1. Contributions by business and industry to any branch of amateur athletics are not deductible as charitable donations for income tax purposes. The only exceptions to this general rule are two national organizations, donations to which have been allowed for many years.

2. Organizations formed for the purpose of furthering or promoting amateur athletics are not considered to be charitable organizations within the legal meaning of that term as used in the Income Tax Act.

3. This is a matter of government policy. If the government proposes any amendment to the Income Tax Act to allow a deduction for contributions to amateur athletics, it will be announced at the appropriate time.

*UNEMPLOYMENT INSURANCE COMMISSION PERSONNEL

Question No. 1,574—**Mr. Rynard:**

1. How many positions are being discontinued in the Unemployment Insurance Commission offices across Canada?

2. How many employees are being transferred from their usual positions to one of lower grading?

3. How many positions are being discontinued and how many employees are being transferred to other positions in lower grades at the Barrie Unemployment Insurance Commission office?

Questions

4. How many employees are being offered employment at other locations in the Barrie area?

5. What positions will be affected by (a) job evaluation (b) downgrading in spite of long service?

Mr. Jim McNulty (Parliamentary Secretary to the Minister of Labour): In March, 1968, it was determined there were 697 positions that were not required because of the introduction of improved systems and procedures which would be implemented before the end of 1969. The number of employees that could have been affected has been steadily reduced and it is anticipated that by the end of March it will be less than 100.

2. The Unemployment Insurance Commission has not transferred employees to lower grade positions but, in somes instances, employees have voluntarily requested a transfer to a lower level position in order to remain at some particular location.

3. There is one surplus position in the Barrie office and the incumbent has indicated that he wishes to be transferred to a lower level position if one becomes available so that he can remain in Barrie.

4. None.

5. At the present time, none of the positions involved in the changes being made by the introduction of improved methods have been adversely affected by means of job evaluation nor have any employees in these positions been downgraded by the Unemployment Insurance Commission. Some positions and employees have been upgraded in the implementation of the changes that have been introduced.

OTTAWA, ONT.—RENTAL RATES

Question No. 1,626—**Mr. Schreyer:**

What is the lease price on a per square foot basis paid by the Government of Canada for space in the following buildings (a) City Centre Building (b) Sir Guy Carleton Building, 161 Laurier Ave. W. (c) Gillin Building, Laurier at Elgin (d) Building at Metcalfe and Slater Streets (e) Fuller Building, 75 Albert St.?

Hon. Arthur Laing (Minister of Public Works):

(a)

Building	Rate per Square Foot
City Centre	$
Lease 1	1.15
Lease 2	3.90
Lease 3	3.96

[Mr. Rynard.]

(b)

Sir Guy Carleton
161 Laurier Ave. W.

Lease	3.95

(c)

Gillin Building
Laurier at Elgin
(141 Laurier)

Lease 1	3.58
Lease 2	3.64

(d)

Metcalfe Building
Metcalfe & Slater Streets
(88 Metcalfe Street)

Lease 1	4.75
Lease 2	3.69
Lease 3	3.20
Lease 4	3.66
Lease 5	4.25
Lease 6	1.50
Lease 7	1.50
Lease 8	1.50

(e)

Fuller Building
75 Albert Street

Lease 1	4.33
Lease 2	4.43
Lease 3	4.50
Lease 4	5.45

HOMES BUILT IN ALGOMA INDIAN RESERVES

Question No. 1,636—**Mr. Foster:**

1. How many homes were built in each year for the last six years on the Indian Reserves located in the constituency of Algoma and what was the average amount of money expended by the federal government on each one of these homes?

2. What was the amount of federal grant to each Band Council in the constituency of Algoma in the last six years?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development):

1. 1963-64	7	units	average	cost	$3,438
1964-65	13	"	"	"	$3,710
1965-66	17	"	"	"	$3,565
1966-67	28	"	"	"	$4,458
1967-68	50	"	"	"	$5,625
1968-69	54	"	"	"	$6,364
Total	169	"	"	"	$5,212

2.

Grants

Band	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69
West Bay	27,000	31,000	38,000	60,000	169,000	245,000
Wikwemikong	72,000	79,000	85,000	188,600	440,390	520,000
Cockburn Island	–	–	–	–	–	–
Whitefish River	15,100	16,600	18,100	25,200	45,490	51,000
Sucker Creek	41,000	48,000	5,300	9,000	20,210	22,600
Sheguiandah	5,100	5,800	6,200	8,700	5,000	37,800
Sheskegwaning	1,800	1,800	2,100	2,800	14,170	12,000
Thessalon	–	–	–	–	–	–
Mississagi	–	–	1,000	1,000	1,000	3,500
Serpent River	–	–	–	–	–	2,375
Spanish River	–	–	–	3,000	3,000	6,400
Garden River	5,400	5,400	5,400	5,400	5,400	7,400
Goulais Bay	–	–	–	–	–	–
Rankin	–	–	–	–	–	2,750

C.M.H.C. QUEBEC REPRESENTATIVES

Question No. 1,646—**Mr. Caouette:**

1. How many representatives of Central Mortgage and Housing Corporation are there in the Province of Quebec?

2. In what city in Quebec is each regional office of the Corporation located and (a) what counties are served by each regional office (b) what is the area of each of these regions?

3. Does the Corporation intend to open new regional offices shortly and if so (a) where will they be located (b) what counties will be served (c) what will be the area of each of the regions?

Hon. Paul Hellyer (Minister of Transport):
1. 540 employees.

2. The Regional Office of the Corporation for the Province of Québec is located at Montreal. In addition, offices serving the general public are located at: Montréal, St-Lambert, Sherbrooke, Drummondville, Québec, Trois-Rivières, Chicoutimi, Rimouski, Baie-Comeau, Sept-Iles, Hull, Val-d'Or.

(a) and (b): The counties or areas served by each of the above offices are outlined below: Montréal: The municipal counties of Argenteuil, Deux-Montagnes, L'Assomption, Soulanges, Terrebonne, Vaudreuil, Montréal and Jesus Islands, and that part of New Québec District lying west of the 70th meridian. St. Lambert: The municipal counties of Bagot, Beauharnois, Chambly, Chateauguay, Huntingdon, Iberville, Laprairie, Napierville, Richelieu, Rouville, St-Hyacinthe, St-Jean and Verchères. Sherbrooke: The municipal counties of Arthabaska, Brome, Compton, Drummond, Frontenac, Mégantic, Missisquoi, Richmond, Shefford, Sherbrooke, Stanstead and Wolfe. An inspection office at Drummondville provides inspection services for that part of these counties centered on Drummondville. Québec: The municipal counties of Beauce, Bellechasse, Charlevoix East, Charlevoix West, Dorchester, Lévis, L'Islet, Lotbinière, Montmagny, Montmorency No. 1, Montmorency No. 2, Portneuf, Québec, Anticosti Island the Madeleine Islands. Trois-Rivières: The municipal counties of Berthier, Champlain, Joliette, Maskinongé, Montcalm, Nicolet, St-Maurice and Yamaska. Chicoutimi: The municipal counties of Chicoutimi; Lac-St-Jean-East, Lac-St-Jean-West, the eastern part of Chibougamau and Mistassini District. Rimouski: The municipal counties of Bonaventure, Gaspé East, Gaspé West, Kamouraska, Matane, Matapédia, Rimouski, Rivière-du-Loup and Témiscouata. Baie Comeau: The municipal county of Saguenay, and that part of New Québec District lying east of the 70th meridian. An inspection office at Sept-Iles provides inspection services to the eastern part of this territory. Hull: The municipal counties of Gatineau, Hull, Labelle, Papineau and Pontiac. Val-d'Or: The municipal counties of Abitibi and Témiscamingue, and the western parts of Abitibi and Mistassini Districts.

3. The Corporation is regularly reviewing its service to the public and in such a review takes into account economic development generally, new resource development areas, population trends, distance, as well as new or changed programs which the government may be putting into effect. No new offices are planned at the present time.

FEDERAL CIVIL SERVICE EMPLOYEES

Question No. 1,670—**Mr. Yewchuk:**

1. What was the ratio of federal Civil Service employees to the total population of Canada in 1950, 1955, 1960, 1965, 1968?

Questions

2. What were the total expenditures for Civil Service salaries during the above years?

3. What was the average income tax paid by Canadians during the same years?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: 1, 2 and 3.

Year	Ratio Federal Government Employees to Total Population	Total Expenditures for Civil Service Salaries ($ Thousand)	Average Income Tax per Canadian (Dollars)
1950	1 : 106	34,123	89
1955	1 : 84	45,792	150
1960	1 : 88	62,895	167
1965	1 : 94	82,866	214
1968	1 : 87	116,031	264

RAMPS FOR PARAPLEGICS

Question No. 1,688—**Mr. McCleave:**

1. Is it general policy in federal government buildings to provide ramps or other means of access to paraplegics?

2. If not, what buildings have been erected in 1968, which are used by the general public and do not have such facilities?

Hon. Arthur Laing (Minister of Public Works): 1. Yes.

2. Not applicable generally, however at the following locations, post offices, having one step or more, were built without ramps: L'Ardoise, N.S., Port Howe, N.S., St. Andrews, N.S., Blackstock, Ont., Brigden, Ont., Bruce Mines, Ont., Coldwater, Ont., Fenelon Falls, Ont., Newtonville, Ont., Pontypool, Ont., Sherkston, Ont., Uxbridge, Ont.

CANADIAN ARMED FORCES IN CARIBBEAN EXERCISE

Question No. 1,689—**Mr. Harkness:**

1. Did members of the Canadian Armed Forces take part in an exercise in the Caribbean area during the past three to four months and, if so, how many persons made the trip to the area?

2. Were they accommodated in a hotel or hotels and, if so, how much accommodation was provided and at what cost?

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): 1. Yes, there were two exercises conducted in the Caribbean area in the past few months. Exercise MAPLE SPRING—69 was a Maritime Command training exercise employing the aircraft carrier, an operational support ship, an escort maintenance ship, six helicopter destroyer escorts, three destroyer escorts, a research ship, an ocean tug, two submarines, Argus, Tracker, T-33 aircraft and Sea King Helicopters. This exercise involved 5,236 personnel.

Exercise NIMROD CAPER was a Mobile Command exercise to train soldiers and airmen in jungle operations with some 890 personnel being involved. The airlift was carried out by Yukon and Hercules aircraft from Air Transport Command.

2. 413 personnel were accommodated in commercial establishments at a cost of $41,585.24. This figure included personnel required for planning and reconnaissance parties, accident inquiry, port visit liaison, support for the Governor General's visit to the Caribbean area, aircrew overnight stopovers, Canadian Forces Headquarters and Command observers, as well as a visit by students and staff of the Canadian Land Forces Staff College, Kingston.

WINES SERVED ON AIR CANADA FLIGHTS

Question No. 1,700—**Mr. Osler:**

Has the Government of Canada directed or requested Air Canada, on behalf of regional wine interests, not to serve non-Canadian wines on domestic flights?

Hon. Paul Hellyer (Minister of Transport): The management of Air Canada advises as follows: no.

WYE MARSH INTERPRETIVE CENTRE

Question No. 1,716—**Mr. Burton:**

1. Is it planned to open a centre similar to the Wye Marsh interpretive centre in Saskatchewan?

2. If so, what is the location of the centre?

3. When is it planned to open the centre?

4. What is the extent of the facilities planned for the centre?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Yes.

2. The centre will be located in the Last Mountain Lake area.

3. It is planned to open the centre during the 1971-72 fiscal year.

4. The centre has not yet been designed but it is expected to be similar to the Wye Marsh Centre.

Questions

INCOME TAX PAYABLE BY ONTARIO AND QUEBEC RESIDENTS

Question No. 1,756—**Mr. Schumacher:**

1. What is the amount of federal income tax payable by a resident of the Province of Quebec as compared to the amount of federal income tax payable by a resident of the Province of Ontario on (a) taxable income of $2,000 (b) taxable income of $5,000 (c) taxable income of $10,000?

2. What is the reason for the different tax abatement in the Province of Quebec from that in the Province of Ontario?

3. What is the basis on which the formula for the Province of Quebec's abatement was decided?

Hon. E. J. Benson (Minister of Finance):

1.	(a) $2,000		(b) $5,000		(c) $10,000	
	Ont.	Que.	Ont.	Que.	Ont.	Que.
Basic Federal income tax	250	250	830	830	2170	2170
Less prov. abatement	—70	—125	—232.40	415	—607.60	—1085
Less 20% (max. $20) deduction	—20	— 20	— 20	—20	— 20	— 20
Plus temporary surtax	1.50	1.50	18.90	18.90	59.10	59.10
Plus social development tax	40	40	100	100	120	120
Plus old age security tax	80	80	200	200	240	240
Total Federal Tax	281.50	226.50	896.50	713.90	1961.50	1484.10

2. The provisions of the Established Programs (Interim Arrangements) Act, Statutes of Canada, 1964-65, chap. 54, as amended, and the Federal-Provincial Fiscal Revision Act, 1964, Statutes of Canada, 1964-65, chap. 26.

3. The number of percentage points abated for each program was established at a level which would result in the value of the abatement covering the major part of the federal share of the cost of the program. Under these arrangements the federal government has made special abatements of basic individual income tax in favour of Quebec as follows: (1) for the federal share of welfare programs, mainly Canada Assistance Plan—4 per cent; (2) for the federal share of hospital insurance —14 per cent; (3) for Quebec's share of the federal national health grants—1 per cent; and (4) for youth allowances—3 per cent.

In each of the above cases the compensation received by the province is adjusted, either through cash payments to or recoveries from the province, so that the total value of the compensation is equal to what the federal share of the cost of the program would have been in Quebec had all the payments been made in cash alone on the identical basis as for all other provinces.

DRAFT DODGERS ADMISSION TO CANADA

Question No. 1,766—**Mr. Diefenbaker:**

1. How many draft-dodgers from the United States have been refused admission to, or excluded from Canada since January 1, 1968?

2. In how many cases since the said date, has immigrant status been granted to such draft evaders?

3. Are American Citizens who have been prosecuted in the United States for draft evasion admissible to Canada?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): 1. An individual's draft status does not bear upon his ability to meet admission requirements; consequently, no data is recorded on this subject.

2. For the same reason as above, no data is available on this question.

3. Yes, if such persons otherwise qualify.

Questions

ILE-AUX-GRUES—MONTMAGNY FERRY

Question No. 1,772—**Mr. Lambert (Bellechasse):**

Does the federal government pay an annual subsidy to the owner of the ferry operating between Ile-aux-Grues and Montmagny and, if so, in what amount?

Hon. Paul Hellyer (Minister of Transport): The Canadian Transport Commission advises as follows: The federal government pays a subsidy of $9,000 for the navigation season and $1,700 for the operation of an ice-boat service in the winter season.

AUTOMOBILE SAFETY REINFORCEMENTS

Question No. 1,774—**Mr. Robinson:**

1. Will the federal government consider the advisability of requiring all new automobiles to be reinforced on the sides as a safety measure?

2. Will the federal government consider the advisability of requiring all bumpers on new automobiles to be installed with shock absorber equipment?

Hon. Paul Hellyer (Minister of Transport): 1. Yes. The problem is presently under review so that performance requirements can be drafted to minimize side intrusion in motor vehicle collisions.

2. Yes. The design of bumpers as well as the energy absorbing characteristics of the entire front end structure of motor vehicles is under review to improve present performance requirements.

NEW AIRPORT FOR PROVINCE OF QUEBEC

Question No. 1,775—**Mr. Latulippe:**

Has the government made a final decision on a new airport for the Province of Quebec and, if not, are the reasons of (a) an economic nature (b) a technical nature (c) a political nature?

Hon. Paul Hellyer (Minister of Transport): Yes, as announced by the government on Thursday, March 27th, 1969.

GREAT PLAINS DEVELOPMENT COMPANY

Question No. 1,795—**Mr. Nielsen:**

1. What is the net acreage held by Great Plains Development Company of Canada Limited in oil and gas properties near Old Crow in the Yukon Territory?

2. Does any portion of the acreage leased to Great Plains Development Company of Canada Limited impinge upon the traditional trapping area of the Old Crow flats?

[Mr. MacEachen.]

3. What steps are being taken by the government to ensure the unimpaired ecology of the traditional muskrat trapping grounds of the people of Old Crow in the face of the advance of oil and gas exploration in the Yukon Territory?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Great Plains Development Company of Canada Limited holds no oil or gas rights near Old Crow in the Yukon Territory; however, Northern Oil Explorers Ltd., a company in which Great Plains Development Company of Canada Limited owns a 40 per cent interest holds 51 exploratory permits for oil and gas comprising 2,067,374 acres within a radius of 100 miles of Old Crow.

2. Some of the permits held by Northern Oil Explorers Ltd. include areas in which trapping is carried out.

3. All companies who hold permits in the Old Crow area together with exploration contractors and exploration consultants have been informed of the special problems in the Old Crow area and have been requested to give Departmental Officials the notice required by the Canada Oil and Gas Land Regulations at least 30 days prior to the commencement of work there in order that the local people may be informed and in order that adequate surveillance of the operations may be instituted by the Department to ensure that the interests of the residents of the Old Crow area are protected. Upon receipt of this notice, a conservation officer of the Oil and Mineral Division and an Ecologist of the Canadian Wildlife Service will arrange to inspect the operations to ensure that they are carried out with proper regard to the circumstances.

ACTIVITIES OF JAMES RICHARDSON COMPANY

Question No. 1,799—**Mr. Gilbert:**

What was the particular area and nature of the activity in which the James Richardson Company was engaged and for which the Company received a grant of $34,060.03 as listed at page 5574 of *Hansard*, February 17, 1969?

Mr. Russell C. Honey (Parliamentary Secretary to the Minister of Regional Economic Expansion): The James Richardson Company received this grant for an expansion to a sawmill at Cap Chat in the designated area of Matane, Quebec.

BIGGAR, SASK., HOUSING PROJECT

Question No. 1,800—**Mr. Gleave:**

1. How much money is being contributed by the following toward the ten public housing units

presently being constructed in Biggar, Saskatchewan (a) the federal government (b) the provincial government (c) the Town of Biggar, Saskatchewan?

2. What amount was paid for the land involved?

Hon. Paul Hellyer (Minister of Transport): 1. The estimated contributions toward the construction of ten public housing units in Biggar, Saskatchewan, are: (a) $132,085; (b) $35,223; (c) $8,806.

2. $10,240.

MACKENZIE DELTA—MACKENZIE PIPELINE

Question No. 1,803— **Mr. Thomson:**

1. Is the Department of Energy, Mines and Resources undertaking a feasibility study of a pipeline from the Mackenzie Delta to Edmonton?

2. Is the Department conducting a study with regard to extending the oil pipeline from Toronto to Montreal with a view to selling western oil in this region?

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): 1. The Task Force on Northern Oil Development was established as a governmental task force on December 20, 1968 to bring together all information on the existing oil situation in the North, on transportation routes that might be used including a pipeline from the Mackenzie Delta, and to co-ordinate all available information from all federal agencies and departments.

2. No.

*DEPORTATION OF ROBERT P. BROOKS

Question No. 1,811—**Mr. Diefenbaker:**

1. When did the hearing take place of Robert P. Brooks of Vancouver at which an Order of Deportation was made against him?

2. On what date were the proceedings launched?

3. Were the proceedings of the hearing held in secret and, if so, why?

4. Was an appeal taken by him to the Immigration Appeal Board against such as order?

5. Was the hearing of the appeal by the Immigration Appeal Board adjourned in the month of February and, if so, on what grounds?

6. When the appeal came before the Immigration Appeal Board, were the proceedings held in secret and, if so, why?

7. Is Mr. Brooks the associate and former partner of Harry Stonehill who was deported some years ago?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): 1 and 2. The hearing commenced on December 8, 1964, and continued intermittently over the following two and one half years, ending in August, 1967.

3. Yes; section 27 of the Immigration Act directs that an inquiry "shall be separate and apart from the public . . ."

4. Yes.

5. Yes. The appellant requested the adjournment.

6. The proceedings were held in camera, on the order of the Board, at the request of the appellant.

7. Yes; however, Mr. Stonehill left Canada voluntarily.

LONG POINT ORDNANCE DEPOT

Question No. 1,813—**Mr. Portelance:**

1. (a) How many soldiers work at the ordnance depot at Long Point (b) how many civilians work at this depot?

2. Is the closing down of this depot being considered at the present time?

3. In the event that this depot is closed, will the employees be transferred to another depot without loss of seniority?

[*Translation*]

Mr. David Groos (Parliamentary Secretary to the Minister of National Defence): 1. (a) 133; (b) 406.

2. All logistic facilities are under review to determine the most economic form of operation.

3. It has been the practice for many years to place as many employees as possible in other positions in the Department, or other government agencies for which they are qualified, without loss of seniority.

[*English*]

YARMOUTH, N.S.,—DREDGING OF BASIN

Question No. 1,814—**Mr. Comeau:**

Is it the intention of the Department of Public Works to dredge the basin between the ferry terminal and the public wharf in Yarmouth, Nova Scotia?

[*Translation*]

Hon. Arthur Laing (Minister of Public Works): It is planned to remove three boulders in the basin between the stem of the public wharf and the ferry terminal.

[*English*]

*LA RONGE, SASK.—AIRPORT

Question No. 1,829—**Mr. Diefenbaker:**

With a view to meeting the demands of large mineral explorations and developments in Northern

Saskatchewan, will the Department of Transport give immediate consideration to the building of a modern airport at La Ronge, Saskatchewan?

Hon. Paul Hellyer (Minister of Transport): The Department is currently reviewing the requirement for improvements at Lac La Ronge airport and no decision has yet been reached as to the extent or timing of the improvements which may be undertaken.

RETURN ON INCOME FOR TAXATION YEAR 1966

Question No. 1,870—**Mr. Saltsman:**

1. For the taxation year 1966, how many tax returns with a total income between $25,000 and $50,000 were there on which no tax was payable?

2. For the taxation year 1966, were there any tax returns filed with the dividend tax credit in excess of (a) $5,000 (b) $10,000?

3. How many were there for each total income bracket in Parts (a) and (b)?

Hon. Jean-Pierre Côté (Minister of National Revenue): 1. For the taxation year 1966, 31 tax returns were filed with a total income between $25,000 and $50,000 on which no tax was payable. Taxable income assessed in this group was reduced by applying business losses of other years and tax otherwise payable was offset by tax credits.

2 and 3. Information not available.

QUESTIONS PASSED AS ORDERS FOR RETURNS

FOREIGN AID

Question No. 1,298—**Mr. Lewis:**

1. (a) Is it government policy that Canada's foreign aid shall be equivalent to 1% of gross national product by 1970 (b) if not, is it present government policy that the target of 1% of gross national product for foreign aid will not be reached until 1975 or later (c) if the latter is true, when was the decision made to change the target year and what are the reasons for such decision?

2. (a) Among the member countries of the Development Assistance Committee of the Organization of Economic Cooperation and Development, what is Canada's rank (i.e. first, second, etc.) in the allocation of foreign aid as a percentage of gross national product (b) what percentage of the total Canadian foreign aid expenditures is attributable to (i) government (ii) private donors?

3. For the years 1963, 1964, 1965, 1966, 1967 and 1968 respectively, what percentage of (a) total foreign aid expenditures (b) bilateral aid program expenditures, and (c) multilateral aid program expenditures, consisted in shipment of Canadian food and food products?

4. (a) For the past five year period, what has been government policy with regard to the practice of making foreign aid grants conditional upon the recipient making purchases in Canada (b) for each of the past five years, what percentage of Canada's (i) total foreign aid expenditures (ii) bilateral aid program expenditures were spent in Canada (c) is it the intention of the Canadian government to adopt as policy the concept that there should be no strings attached in the giving of foreign aid?

5. (a) What have been the total Canadian parliamentary appropriations for foreign aid programs in each of the following fiscal years: 1964-65, 1965-66, 1966-67, 1967-68 and 1968-69 (b) for each of the same years, what was the total amount of expenditures on foreign aid programs to which the Canadian Government committed itself after consultation with recipient countries (c) for each of the same years, what have been the actual total expenditures by the Canadian Government on foreign aid programs?

6. For the fiscal years 1964-65, 1965-66, 1966-67 and 1967-68, what have been the Canadian Government's foreign aid (a) appropriations (b) actual expenditures to (i) Latin America (ii) Colombo Plan (iii) Commonwealth Caribbean Assistance Program (iv) Special Commonwealth Africa Assistance Plan (v) Independent French-speaking African States?

7. (a) Has the Canadian Government implemented the "Recommendation on financial terms and conditions" adopted by DAC at its fifty-eighth session on the 22nd and 23rd of July, 1965 (b) if so, what has been the exact Canadian performance in this regard for 1966, 1967 and 1968 (c) if not, what are the reasons for the rejection of this recommendation?

Return tabled.

PARTICIPATION IN EXTERNAL AID PROGRAM

Question No. 1,410—**Mr. Caouette:**

1. In each of the last three years, what has been the total of Canada's financial participation in the external aid programme?

2. Under the auspices of the external aid programme (a) how many foreign students attended educational institutions in Canada in 1966, 1967 and 1968, and what were their countries of origin (b) in what fields of study did the students specialize, and how many studied in each of these fields (c) what is the maximum amount allocated by the Canadian Government to students attending normal four-year courses at university?

3. How many students have graduated from Canadian universities, under the auspices of the external aid programme, since 1965, and (a) how many of these have stayed in Canada (b) how many have left permanently (c) how many have requested permission to stay in Canada, or to return here, with a view to obtaining Canadian citizenship?

4. Since this programme has been in effect, what has been the government's average expenditure per student?

Return tabled.

LABOUR RELATIONS TASK FORCE

Question No. 1,625—**Mr. Orlikow:**

1. Who were the members of the Labour Relations Task Force?

2. What are the names and qualifications of each person commissioned to do a research study by the Labour Relations Task Force?

3. How many research studies were commissioned by the Labour Relations Task Force and what are the titles of each of the research studies?

4. What was the total cost incurred by the Labour Relations Task Force?

5. What amount of money was paid to each member of the Labour Relations Task Force either in salary, per diem payment, expenses, etc.?

6. How much was paid to each of the people commissioned to prepare a research study for the Labour Relations Task Force?

Return tabled.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in view of the fact that there are still over 300 questions on the order paper that have not been answered, may I express the hope that during the Easter recess many of these might be dealt with. I should like to make a special plea for an answer to question 1,298, in the name of the hon. member for York South (Mr. Lewis), and my own question 1,341, which by the time we have returned will have been on the order paper for over two months.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I would point out to the hon. member that question 1,298 was dealt with today by way of making it an order for return, and tabling the documents. With respect to the remaining questions we will do our best. At the present time we have responded to 83 per cent of the questions asked this session.

Mr. Speaker: Shall the remaining questions stand?

Some hon. Members: Agreed.

MOTIONS FOR PAPERS

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): Mr. Speaker, I ask that all notices of motion be allowed to stand.

29180—471

Inquiries of the Ministry

ORAL QUESTION PERIOD

DOMINION PROVINCIAL RELATIONS

DISCUSSIONS IN TAX STRUCTURE COMMITTEE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister a question. When he said yesterday that he thought it would be useful to have a meeting between officials of the federal government and the provinces to discuss the financial problems of the provinces, would he tell the house whether he was referring to a special meeting or series of meetings of officials of the two levels of government, or was he talking about the reconstitution of the tax structure committee?

Right Hon. P. E. Trudeau (Prime Minister): I was referring to the latter, Mr. Speaker. We feel that this would be the appropriate committee to begin exploring these problems, referring them later on perhaps to some more general federal-provincial structure.

Mr. Stanfield: I have a supplementary question, Mr. Speaker, which I direct to the Minister of Finance. In view of the obvious urgency of this matter can the Minister of Finance tell me whether the tax structure committee has been reconstituted since the conference and, if so, whether the tax structure committee has held meetings and commenced its work?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the first meeting of the officials committee supporting the tax structure committee is for April 15. At that meeting, the time of a meeting of the ministers will be decided upon and an agenda will be considered by the officials.

Mr. Stanfield: A further supplementary question. In view of the fact that the first meeting of the tax structure committee will apparently take place some three months after it was agreed to reconstitute it, does the Prime Minister not now agree that it is likely to be many months, if not years, before the officials are in a position to reach some understanding?

Mr. Speaker: Order; the question is argumentative.

Inquiries of the Ministry

HOUSING

REASONS FOR DELAY IN MAKING ANNOUNCEMENT

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I should like to direct a question to the Minister of Transport concerning a subject I have already mentioned today. In view of the fact that on February 4 the minister told the house that urgent recommendations on housing would be presented by himself in a written document to cabinet, without delay, and in time for legislative action to encourage spring building activity, will the minister now tell the house the reason for the long delay in making any announcement on the subject?

Hon. Paul Hellyer (Minister of Transport): Yes, Mr. Speaker. The reason is really the extent and the range of the proposals being made. They are numerous, and also quite far reaching in effect. It is a package which would be quite substantial in so far as its amelioration of the housing situation in Canada is concerned. For this reason it requires not only consideration but the working out of a lot of detailed regulations to accompany the legislation. This does take a little time. However I hope the finishing touches will be put to all the proposed legislation, and the necessary regulations in respect thereto, so that the legislation can be introduced in the house not too long after parliament reconvenes following the Easter recess.

Mr. Brewin: A supplementary question, Mr. Speaker. In view of the fact that the cabinet of which he is a member has apparently not seen fit to pay any attention to these urgent recommendations in connection with a subject of such importance to the Canadian people, does the minister not think it fitting to present his resignation to the Prime Minister?

Mr. Hellyer: On the contrary, Mr. Speaker—

Mr. Speaker: Order, please.

[*Translation*]

PUBLIC SERVICE

INQUIRY AS TO BILINGUAL FORM

Mr. Gilbert Rondeau (Shefford): As the Secretary of State is here today, I would like to ask him again the question I put yesterday to the Prime Minister but which is more in his field. On January 17, 1967, as is stated on page 11878 of *Hansard*, the right honourable Lester B. Pearson announced that a 7 per cent bonus would be granted to bilingual officials, including those in the House of Commons, and that that rise would be retroactive to October 1, 1966. Could the Secretary of State tell us when that 7 per cent bonus will be granted to bilingual officials in the House of Commons and whether those officials can expect a readjustment in their salary?

Mr. Speaker: Order. In view of the fact that the hon. member's question is related to officials of the house, it should be put to the Speaker, according to the usual procedure, namely in writing.

Mr. Rondeau: Mr. Speaker, since the question I put yesterday had to do with civil servants, I wonder whether the Secretary of State could give an answer which would apply to parliamentary staff as well?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I read the hon. member's question in the official report. I then inquired of the Civil Service Commission and the Treasury Board, both of which are concerned in the answer I might give to the hon. member. I have had no answer as yet from both those sources, but as soon as I get the required particulars from them, I can pass them on to the hon. member.

[*English*]

AIRPORTS

MONTREAL—CORRESPONDENCE BETWEEN PRIME MINISTER AND PREMIER OF QUEBEC

Mr. G. W. Baldwin (Peace River): I have a question for the Prime Minister. Did the Prime Minister write to the Prime Minister of Quebec after the decision had been made in respect of the airport site near Montreal, advising Mr. Bertrand that the government had concluded that the Northwestern site best meets the objectives as stated, and asking the Prime Minister of Quebec not to indulge in any premature disclosure of the decision?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker. I advised Premier Bertrand, after cabinet had made its decision, of the nature of that decision. Because a matter of an hour or two lapsed between the time of cabinet decision and the time when it was announced in the house, I asked him not to make a disclosure until it was announced in the house.

Mr. Baldwin: A supplementary question, Mr. Speaker. Would the Prime Minister not

admit that the date of the letter to the Prime Minister of Quebec was March 26? In view of that fact, would the Prime Minister like to correct this statement he made to this house on March 28 as it appears at page 7251 of *Hansard*:

—as the decision was only taken yesterday after the cabinet meeting and that it was announced afterward, it would have been impossible to conclude specific agreements with the provincial authorities—

Would the Prime Minister be agreeable to having the record changed accordingly?

Mr. Trudeau: I do not see what correction it is suggested I make.

Mr. Baldwin: I will repeat it to the Prime Minister. In view of the fact the letter in question sent to the Prime Minister of Quebec was dated March 26, the day before the Prime Minister said he made the decision, and the Prime Minister of Quebec advised—

Mr. Trudeau: There is no problem, Mr. Speaker. It did call for a little bit of ingenuity. I am prepared to tell the house how we met it.

An hon. Member: You pre-recorded it.

Mr. Trudeau: I pre-recorded it as the hon. member suggests. I had the letter typed on the 26th. I had it brought to Quebec city by one of my officials who waited in Quebec city until I notified him that it was time—

Some hon. Members: Oh, oh.

Mr. Bell: This is fantastic.

Mr. Trudeau: If the house does not want the explanation—

Mr. Woolliams: I think with the greatest of respect the Prime Minister has missed the point. Both his ministers said the decision was made on March 27. May I just quote—

Some hon. Members: Oh, oh.

Mr. Woolliams: I wonder if I could have order, or do you want to yell me down?

Mr. Speaker: Order, please.

Mr. Woolliams: I want to quote from the letter, then I will direct my question to the Prime Minister. I quote:

The government is, therefore, prepared to construct the airport at this site and invites the cooperation and participation of the province in accordance with our respective responsibilities.

This letter is dated March 26, 1969. Was the decision made on the 26th or prior to March 26, 1969? I suggest that this letter—

Mr. Trudeau: If the house will let me speak I will continue the answer I was giving a moment ago. On the 26th of March I wrote a letter addressed to Premier Bertrand informing him of a decision which would be announced to him the next day if cabinet reached that decision.

Some hon. Members: Oh, oh.

Mr. Trudeau: Are you listening, fellows?

Mr. Woolliams: Would you like to read it?

Mr. Speaker: Order, please.

Mr. Trudeau: As the hon. member said, I pre-recorded the letter. I had it typed the day before. I gave it to one of my officials. I sent him to Quebec city so that Premier Bertrand would be informed of the decision immediately after cabinet had reached that decision. When cabinet reached that decision on the Thursday around 12.30 p.m., I phoned Premier Bertrand and told him he would receive this letter. The official was asked to present it to him, and he presented it to Premier Bertrand.

Premier Bertrand received the letter, I suppose, a few minutes to an hour before it was announced to the house. That is why the final paragraph told him to keep the matter confidential until we had announced it to the house.

At the time the Minister of Transport was making this announcement to the house, I was speaking to Mr. Bertrand on the telephone in the lobby. I told him I now relieved him of the obligation in the last paragraph to keep it silent, because we were announcing it to the house and he could announce it to his house if he wished.

Mr. Woolliams: Mr. Speaker, as a result of that answer I now rise on a question of privilege. I want to bring to Your Honour's attention that at page 7292 of *Hansard* for March 31, one minister stated this:

Actually, the cabinet's decision was only taken on Thursday, March 27.

The Prime Minister wrote this letter on March 26. How could he say that was the decision before cabinet had made the decision? How could he announce it in advance?

At page 7335 of *Hansard* for March 31, 1969 the minister again stated that the cabinet never made that decision until March 27. If that is not inconsistent, there has never been

an inconsistency in this house. The Prime Minister had better get together with his two ministers, and let us have the truth.

[*Later:*]

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is a supplementary one to the Prime Minister with relation to his intriguing answer in respect of the new personalized postal service for the Prime Minister's office. Did the messenger that went to Quebec have only one letter or did he have four or five letters in respect of all the alternative sites?

Mr. Trudeau: He had only this letter; but there was an explosive device in it which—

Some hon. Members: Hear, hear.

Mr. Nowlan: Is that what is known as someone going off his rocker?

MONTREAL—SUGGESTED MEETING BETWEEN QUEBEC AND FEDERAL MINISTERS TO REVIEW LOCATION DECISION

Hon. Marcel Lambert (Edmonton West): My question, Mr. Speaker, is directed to the Minister of Transport. Can the minister advise the house whether he or the Prime Minister received a telegram from the government of the province of Quebec suggesting that the Minister of Municipal Affairs of that province is prepared to meet with the minister tomorrow or at a convenient time to discuss and review the question of the location of the new international airport in the province of Quebec? What has been the reaction to it?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, a telegram was received late last night from Dr. Lussier. I was talking to him on the telephone this morning and I told him it would be extremely inconvenient, if not impossible, for me to meet with him tomorrow because, as is well known, the cabinet will be meeting again tomorrow to discuss many important matters including, as the Prime Minister said, the review of foreign policy. So it would be very difficult for me to meet with him tomorrow.

I suggested that we might meet on April 14 immediately after the Easter recess, as I hope to be able to take a few days off before then. He indicated to me the urgency of expressing their points of view and of taking up certain questions which he would like to have further considered. I told him I would look again at the calendar and telephone him again to let him know if it would be possible to meet his wishes or if the 14th would be the earliest possible date.

Mr. Lambert (Edmonton West): Has the minister or the Prime Minister looked at the calendar to see if the minister could be spared from his many duties to deal with this very important and pressing problem, rather than leaving it to some time in the very indefinite future?

Mr. Speaker: Order, please. The right hon. member for Prince Albert.

Mr. Lambert (Edmonton West): On a point of order, Mr. Speaker, and with the greatest respect, I think that my question was direct. Has consideration been given? Has he consulted his calendar—

Mr. Speaker: Order, please. I suggest to the hon. member that whether the minister has consulted his calendar cannot be considered a matter of great urgency.

Mr. Lambert (Edmonton West): All right, I will leave it alone, but you know what it is all about.

AIR TRANSPORT

MERGER BETWEEN AIR CANADA AND CANADIAN PACIFIC AIRLINES

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister without Portfolio.

An hon. Member: Which one?

Mr. Knowles (Winnipeg North Centre): There is only one here today, the one from Winnipeg. Is the minister in a position today or will he be in a position when we come back on April 14 to make a statement concerning his review of relations between Air Canada and Canadian Pacific Airlines?

Hon. James A. Richardson (Minister without Portfolio): Mr. Speaker, there is no statement to be made at this time on this matter.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Will the government make it clear that if there is anything to be done in the way of a merger between these two airlines that the government position will be a majority one throughout?

Mr. Richardson: Mr. Speaker, the Minister of Transport and others have said many times that the question of a merger is not being actively considered by the government at the

present time or by any review of air policy taking place at the present time.

GRAIN

WHEAT—REPRESENTATIONS FROM SASKATCHEWAN AS TO PRICING

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, in the absence of the Minister of Industry, Trade and Commerce may I ask whether the Prime Minister, prior to March 26, received a telegram from the Premier of Saskatchewan setting out a resolution unanimously passed by the Saskatchewan legislature in favour of a floor price of $1.95½ for wheat and a two-price system, with the price at Fort William fixed at $2.12? What is the reaction of the government and the reply of the Prime Minister to that very reasonable request, having regard to the serious condition on the prairies today amongst wheat farmers?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if I received such a telegram I probably referred it to the Minister of Agriculture to give me advice on how to answer it.

Mr. Diefenbaker: In the absence of all the absentees, Mr. Speaker, could I find out who is acting as Minister of Industry, Trade and Commerce, or possibly the Minister of Agriculture, with his all-pervasive knowledge, could answer the question?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, such a telegram was received and it is being considered.

Mr. Diefenbaker: Would the minister say whether there is any expectation that a decision will be made within the next couple of days, having regard to the approach of spring and the need of the farmers out west for funds, as the minister knows?

Mr. Olson: Mr. Speaker, as the right hon. gentleman also knows, the two proposals that were contained in the telegram are in fact major new proposals in agricultural policy, and I am sure he would not expect the government to make that decision within two days.

Mr. Diefenbaker: Mr. Speaker, the government has had three weeks now. How much longer does it want to stay asleep concerning the plight of the farmers in the western provinces?

[*Translation*]

BROADCASTING

PAT BURNS—"HOT LINE" PROGRAM

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I wish to direct a question to the Secretary of State.

In view of the growing concern regarding the departure of Pat Burns, the announcer of *Hot Line*, from station CKGM in Montreal, and of allegations made about political intervention, has the Secretary of State made an investigation on that matter? If so, what were the results?

[*English*]

Hon. Gerard Pelletier (Secretary of State): Mr. Speaker, I had no report because I did not know that Mr. Pat Burns had left the radio station. I do not usually listen to him but I will inquire and be happy to present whatever information the C.R.T.C. may have.

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I wish to ask a supplementary question. I believe that it was the "Hot Line" program that was discontinued. Would the minister check with the C.R.T.C. to see whether any instructions were issued by the commission to discontinue the "Hot Line" program?

Mr. Speaker: Order. The hon. member has made a representation to the minister.

NATIONAL DEFENCE

INQUIRY AS TO REVIEW OF FOREIGN AFFAIRS AND DEFENCE POLICY

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I would like to direct a question to the Minister of National Defence. In light of the rather startling revelation that the Minister of Transport made on Monday of a sort of occult nature, that events that have not happened yet can be discerned on videotape, and in view of the striking similarity of this to ancient knowledge known to Julius Caesar when he used to have experts examine the entrails of a chicken to determine the future in important military matters, can the minister say whether he has any expert on staff who might examine videotapes at the present time to determine what decisions the government will take in the future with regard to its review of foreign affairs and defence policies?

Mr. Speaker: Order, please.

Inquiries of the Ministry

PARLIAMENTARY COMMISSIONER

APPOINTMENT OF OMBUDSMAN

Mr. Barry Mather (Surrey): Mr. Speaker, may I direct a question to the Minister of Justice. In his absence the other day I asked the Prime Minister whether consideration is being given to the establishment of a federal office of ombudsman and the Prime Minister undertook to check with the Minister of Justice. Can the minister say whether consideration is being given to this matter?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I cannot give the hon. member a direct answer, but I can tell him that the Department of Justice is undertaking a thorough review of administrative law in this country and the rights of appeal of the average citizen against government decisions, and a special committee of the house has been set up, under the chairmanship of the hon. member for Windsor-Walkerville, to study the question of delegated legislation. The house should also know, of course, that under the new official languages bill there is provision for an official languages commissioner to act as a language ombudsman, but in general I can tell the hon. member that we are reviewing the whole matter quite thoroughly.

BROADCASTING

ALLEGED DELAY IN AUTHORIZING RENEWAL OF LICENCES

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I wish to direct a question to the Secretary of State. Why was the order in council authorizing renewal of licences of some of the major television and radio stations in Canada delayed until the eleventh hour, creating alarm and uncertainty among the stations and their employees about their ability to continue broadcasting?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I would like to know, Mr. Speaker, if the hon. member is referring to the directive given to the C.R.T.C. regarding foreign ownership of broadcasting facilities in Canada.

[*English*]

Mr. Dinsdale: If I may repeat my question, Mr. Speaker, I inquired why the order in council authorizing the renewal of licences for major stations was delayed until the eleventh hour? Arising from that, perhaps I can address a supplementary question which will explain the urgency. Has the minister received a protest from the president of the Canadian Association of Broadcasters that the delay amounts to intimidation and harassment by the cabinet of the Canadian broadcasting industry?

[*Translation*]

Mr. Pelletier: Mr. Speaker, I must confess my ignorance. I have no idea of the order-in-council referred to by the hon. member for Brandon-Souris. I do not know what he means by the eleventh hour and, finally, I am not aware that a protest has been made to the Secretary of State in the form mentioned by the hon. member.

[*English*]

IMMIGRATION

ADMISSION OF DRAFT DODGERS AND DESERTERS

Mr. David Lewis (York South): Mr. Speaker, I should like to address this question to the Minister of Manpower and Immigration. Some weeks or months ago the minister was asked questions about his or his department's policies with regard to the admission into Canada and the treatment when they are in Canada of draft dodgers and military deserters. The minister on more than one occasion said that the matter was being looked into and reviewed, and that he hoped to make a statement to the house on the results of that inquiry. Is he now prepared to make this statement? If not, how soon would he be prepared to inform the house concerning the result of that inquiry into policies?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I regret that I am not in a position to make any statement today. The matter is at present before my colleagues for consideration. As soon as that consideration is complete I shall be in a position to make a statement.

Mr. Ed Schreyer (Selkirk): At the time the minister makes his statement will he advise whether a clear distinction will be drawn between those who are draft dodgers and those who come here to incite the people?

Mr. MacEachen: As has been stated so often in this house, draft dodgers are admitted to Canada if they qualify under the selection system. Their draft standing has no bearing on their acceptability. Persons who wish to come to Canada to incite violence are in a different category. If a draft dodger were a known violence inciter he would be treated in a different way.

[*Later:*]

Mr. David MacDonald (Egmont): Mr. Speaker, might I put a supplementary question to the Minister of Manpower and Immigration? In response to an earlier inquiry concerning the confusion with regard to draft dodgers and military deserters there was some question about the tabling of a document. I wonder whether the minister's colleagues have come to a decision in respect of producing this very important document.

Mr. MacEachen: The normal case is that these documents are privileged. They are interdepartmental and are not normally made public.

Mr. MacDonald (Egmont): Has the minister received representations from many major bodies in this country, including churches, with regard to having this document made available for public scrutiny and information?

Mr. MacEachen: Mr. Speaker, there may have been one or two representations on this subject.

CANADIAN BROADCASTING CORPORATION

BRINGING OF JERRY RUBIN TO CANADA

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I have a question for the Secretary of State. In view of the fact that one Rubin was denied admission to Canada because he is a fomenter of revolution, has the minister ascertained why the C.B.C. had the effrontery to put this man on the national—

Mr. Jamieson: Network.

Mr. Diefenbaker: Yes, network—you are an expert in the field—and by telephone have him thereby subvert what had been determined by the department? What answer has been received from the C.B.C. and in particular I should like to know why the C.B.C. should be permitted to defy a government order and pay a wrongdoer to place his views before the Canadian people?

Mr. Speaker: Order.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, having respect for house rules, I will not reply to the right hon. member's arguments.

[*English*]

Mr. Diefenbaker: Respect for house rules! You are never here.

[*Translation*]

Mr. Pelletier: However, I will attempt to answer the question.

According to the C.B.C., the four minute interview with the individual concerned was an element of a program where other opinions balanced those which were expressed during those four minutes.

[*English*]

Mr. Diefenbaker: That is no explanation. That is just an alibi. I now ask this question. Is this kind of thing going to stop? There can be no justification for the C.B.C. breaking the law in this manner.

[*Translation*]

Mr. Pelletier: Mr. Speaker, not being a jurist, I cannot state as lightly as the hon. member that the C.B.C. was guilty of breaking the law.

[*English*]

CONSUMER AFFAIRS

INQUIRY AS TO SETTING UP OF PRICES AND INCOMES COMMISSION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct this question to the Minister of Consumer and Corporate Affairs. Can he tell us when he is likely to make an announcement regarding the personnel and establishment of the prices commission, which he indicated would be made during the month of March? I ask this question at this time because I would not like my hon. friend to the accused either of deliberately flaunting parliament or of inefficiency.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I hope to make the appointments very shortly, Mr. Speaker. I welcome the great interest of the Leader of the Opposition in this commission and the appointments to it since his initial reaction to it seemed to be rather cool. I am delighted to see he is warming to it.

Mr. Stanfield: Has the minister given any consideration to the suggestion that he should take advantage of the opportunity to establish not only this commission, about which I have expressed views, but also a forecasting service of the type recommended for several years now by the Economic Council of Canada and urged upon the minister by the Private Planning Association of Canada?

Inquiries of the Ministry

Mr. Basford: It is my feeling that the prices and incomes commission can do much the same type of research and forecasting as the Economic Council suggested in its thrd annual report.

SPORTS

HOCKEY—CANADIAN PARTICIPATION IN 1970 CHAMPIONSHIP CONTEST

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, I have a question for the Minister of National Health and Welfare. In view of the fact that the 1970 world hockey championships will be held in Canada and the further fact that only last weekend was it determined to our relief that our team would be participating in those championships rather than being relegated to the consolation round in Bucharest, Rumania, does the minister propose any action to ensure that Canada will be represented by its best hockey players?

Mr. Speaker: I am not sure the question is one of immediate urgency, but since there seems to be interest in it perhaps the minister might be allowed to reply.

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker; we are taking that type of action. A Hockey Canada Corporation has been formed with all the leading participants in hockey taking part in it. We have made strong representations to the National Hockey League clubs in Canada and have been assured that they will co-operate to the fullest next year in providing our national team with very capable players. I hope this will be the case.

EDUCATION

ALGONQUIN COLLEGE—SEIZURE OF PARACHUTING EQUIPMENT

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I should like to ask the Solicitor General what the significance is of the seizure by the R.C.M.P. of the parachuting equipment of students of Algonquin College?

Mr. Speaker: I doubt very much that the question can be answered at this time as a matter of national importance and urgency.

REGIONAL DEVELOPMENT

P.E.I.—ESTABLISHMENT OF ADVISORY BOARD

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. First of all, perhaps I might be permitted the liberty of congratulating him on having assumed this new title. In view of the fact that the comprehensive development plan for Prince Edward Island came into being yesterday, has a joint federal-provincial advisory board been established inasmuch as this will, I believe, be very important to the working of this plan?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, this is one of the first things to be done and I think it will be done very shortly.

AIRPORTS

MONTREAL—LAND SPECULATION IN EXPROPRIATED AREA

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I direct my question to the Prime Minister. In view of the recent Canadian Press story that land speculation within the area allegedly expropriated for the new Montreal international airport, as well as outside it, appears to have been going on, what measures is the government now taking to stop this speculation and protect the Canadian taxpayer?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, speculation will be prevented by the way the law operates. The land will be paid for at prices which tribunals judge to be fair and the land around the area expropriated by the federal government will be frozen by provincial action.

Hon. Marcel Lambert (Edmonton West): A supplementary question to the Prime Minister, Mr. Speaker. Will he tell the house whether in the present instance he will follow the ancient practice of putting to dealth the bearer of evil tidings?

NATIONAL DEFENCE

A.B.M. SYSTEM—DEVELOPMENT AND CONSTRUCTION CONTRACTS IN CANADA

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is directed to the Prime Minister. Was the senior official in the Department of Industry, Trade and Commerce reflecting government policy when he said yesterday that Canada would attempt to obtain contracts related to the development and construction of the United States A.B.M. system?

Mr. Speaker: Order, please; that question is not in order.

HOUSING

C.M.H.C.—CRITERIA APPLICABLE IN PROJECTS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I direct my question to the Minister of Transport in his capacity as the minister responsible for housing. It arises from answers he gave on Monday and the possible impression he left that before he could fulfil his pledge to the municipalities of Canada to provide them with public housing guidelines he would have to visit eight or ten of the most urgent urban renewal projects. Can the minister now say whether the drafting and presentation of these guidelines are not dependent on any tour?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, if I said that I am sure I would be accused of having made up my mind before visiting the actual sites. Naturally we are giving consideration to the various alternatives open to us, to the options open to us and to the way each of them would work. But the final decision will have to wait until I have visited some of the centres I have mentioned. I hope to do that in mid-week following Easter. I hope to be in a position to make an announcement very shortly thereafter.

Mr. Alexander: A supplementary question, Mr. Speaker. Does the Minister forget that he advised the hon. member for Halifax-East Hants approximately one week ago that he would have this information within a few days?

Mr. Speaker: Order, please.

AGRICULTURE

CUCUMBERS AND TOMATOES—ACTION TO STABILIZE PRICES

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I wish to direct a question to the Minister of Agriculture. I am sure the minister is aware that the recently imposed seasonal tariffs on cucumbers and tomatoes are not, according to the industry, providing the relief they were intended to and are lower than the industry advised they ought to be. Could the minister inform the house what emergency measures, if any, the government is implementing to stabilize the present distressed domestic market for Canadian produced cucumbers and tomatoes so that these products can be sold at prices that are at least above the basic cost of production?

Inquiries of the Ministry

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the so-called basic cost of production is not an exact calculation but includes a number of items which are matters of opinion. However, we are aware that there is an increased importation of tomatoes and cucumbers at somewhat lower prices than prevailed one year ago. Discussions are going on among my department, the Department of Finance and the Department of Industry, Trade and Commerce to see what can be done to be helpful in resolving this problem.

HOGS—OBJECTIONS TO INCENTIVES PROGRAM

Mr. Don Mazankowski (Vegreville): Mr. Speaker, my question has nothing to do with tomatoes and cucumbers but has to do with pork. Would the Minister of Agriculture indicate, in view of his announcement yesterday regarding the recent amendment affecting the hog production program, whether he has received representations from producer organizations objecting to his latest move in this field?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I cannot recall having received any mail, telegram or telex communication on this matter. However, representations were made to me by the leaders in the swine industry at the agricultural congress.

Mr. Speaker: Orders of the day.

NATIONAL SECURITY

PUBLICATION OF PORTIONS OF REPORT

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Prime Minister. Some time ago the Royal Commission on Security issued a report. I understand the Prime Minister said that an effort would be made to segregate parts of the report that were not classified and to publish those parts. Is that still the intention of the government? If so, how soon may we expect to see this partial report?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, that is still the intention. The question of the date has not yet been settled.

LABOUR RELATIONS

MONTREAL—DISPUTE BETWEEN SHIPPING FEDERATION AND LONGSHOREMEN

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I have a question for the Minister of Labour. Before we adjourn

for Easter, can he advise the house whether he has a recent report relating to the labour problems on the Montreal waterfront?

Hon. Bryce S. Mackasey (Minister of Labour): Mr. Speaker, I have not yet received the conciliation board report. As I mentioned the other evening, the judge has been given a few days' extension by both parties since he has worked solidly for almost one week on the commission. I would say, however, that after reviewing the various proposals advanced by the judge there is hope that a collective agreement will be reached. I am optimistic that the matter will be settled amicably.

NATIONAL DEFENCE

ACTIVITIES OF U.S.S.R. NAVAL UNITS IN NORTH ATLANTIC

Hon. J. A. MacLean (Malpeque): Mr. Speaker, my question is for the Minister of National Defence and has to do with a question I asked him last Friday which he said he would take as notice. At that time I asked the minister if he had any reliable information as to the purposes of reportedly large Russian naval movements in the North Atlantic?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, since our forces have in the past often come under the surveillance of Russian naval and air elements we have found it courteous to reciprocate the gesture.

Mr. Speaker: Order, please. We have reached the end of the question period. However, I believe the hon. member for Vegreville has a supplementary question concerning tomatoes and cucumbers. Perhaps he might be allowed to ask it.

TRANSPORT AND COMMUNICATIONS

REFERENCE TO STANDING COMMITTEE OF C.N.R. AND AIR CANADA ANNUAL REPORTS—SUGGESTED MOTION

Mr. Ed Schreyer (Selkirk): On a point of order, Mr. Speaker, I wonder whether the government house leader would clarify a confusing situation and say whether he intends to proceed with a motion asking for a house order to refer the reports of Air Canada and Canadian National Railways to the Standing Committee on Transport and Communications?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, as the hon. member knows, I had extensive consultations and it was my understanding that there was agreement on this matter. I discovered yesterday that there was no agreement and I shall have to consult further to see if we can find some way to resolve current difficulties.

Mr. Schreyer: I have a further point of order, Mr. Speaker.

Mr. Speaker: Order please. I doubt that the hon. member has a point of order. Perhaps he might discuss the matter with the minister outside the house.

GOVERNMENT ORDERS

AGRICULTURE

PREVENTION OF INTRODUCTION OR SPREAD OF PLANT PESTS—CONCURRENCE IN SENATE AMENDMENT

Hon. H. A. Olson (Minister of Agriculture) moved the second reading of and concurrence in the amendment made by the Senate to Bill C-154, to prevent the introduction or spreading of pests injurious to plants.

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

AGRICULTURE

COMPENSATION FOR CONTAMINATION BY PESTICIDE RESIDUE—NON-CONCURRENCE IN SENATE AMENDMENT

Hon. H. A. Olson (Minister of Agriculture) moved:

That a message be sent to the Senate to acquaint Their Honours that this House disagrees with the amendment made by the Senate to Bill C-155, An Act to provide compensation to farmers whose agricultural products are contaminated by pesticide residue, and to provide for appeals from compensation awards, for the following reason:

The amendment changes the principle of the Bill so that compensation is payable even if the pesticide residue resulted through the fault of a pesticide manufacturer or another person. It makes it a responsibility of the Minister to pay and carry court action against a third party. It would also remove the precise requirement that the Minister may require a farmer to take action to reduce losses before paying compensation, such as washing, trimming, changes in storage etc. If this requirement is removed, it would substantially increase the costs involved in applying the provisions of the legislation. The amendment would also increase the possibility of marginal or frivolous claims.

• (3:30 p.m.)

He said: Mr. Speaker, I shall take only a minute or two to explain this motion because

I think the reasons contained in it are self-explanatory. We had a discussion of this matter in the Standing Committee on Agriculture of this house, and it is my opinion that we in fact decided in the committee that the requirement that a farmer take all action open to him to reduce his losses was a proper provision in this bill. Furthermore, I question whether the amount of money that would be required to administer this legislation would not be significantly changed if the Senate amendment were accepted. Therefore, on those grounds I am not prepared to accept it.

Of course, the Senate committee did go on to say—at least I am so informed—that the minister would still have the right, before payment of compensation, to require a farmer to reduce his loss, because of the permissive nature of the legislation. Quite frankly, I am not sure that if we accepted the Senate amendment the minister would not be put in the impossible position of taking arbitrary, even illegal, action in requiring or requesting a farmer to reduce his losses through many of the operations that are open to him.

There is much more I could say by way of explanation, but I think this brief explanation, together with what is contained in the motion I have just moved, acquaints hon. members with the reasons why we cannot accept the amendment.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I think the Senate amendment is a vast improvement of the legislation. This point is one upon which I adumbrated at great length and ran into an almost incomprehensible stubbornness on the part of the minister to recognize the impossible burden he was imposing upon a farmer who had a claim under this legislation. Let us consider the provisions of clause 5. I shall do this in detail for the benefit of the minister. He does not seem to understand what the draftsman has provided for him; therefore I shall tell him. I submit that he is placing an impossible burden on a farmer. The minister may shake his head. Let us go through this clause word by word, and we shall see whether I am not correct. Clause 5 (1) provides:

> No payment of compensation shall be made to a farmer pursuant to this act in respect of a loss occasioned to him by reason of pesticide residue in or upon an agricultural product until the farmer has taken any steps that the minister deems necessary—

In other words, the minister says: You have to climb to the moon.

Mr. Olson: But he would not.

Mr. Lambert (Edmonton West): This is nonsense, Mr. Speaker; the minister says he would not. As I told the minister before, the road to hades is paved with good intentions.

Mr. Perrault: That is an original quotation!

Mr. Lambert (Edmonton West): Then we find these words:

> —to reduce the loss occasioned to him by reason of such pesticide residue—

The minister has said this requirement is being eliminated by the Senate amendment. He said that the principal reason would be that the farmer had not trimmed, washed or done this, that or the other. Not only does the farmer have to do this—and I think it is reasonable that he should have to do it—but it is not in the disjunctive; it is in the conjunctive because the clause goes on to say: "and to pursue any action that the farmer may have in law".

There are two conditions. They are not disjunctive; they are not alternatives; they are both absolutely binding. The farmer has to cut, wash and do whatever is necessary—I think anyone would agree that this is reasonable—and then it is mandatory that he must "pursue any action that the farmer may have in law against the manufacturer of the pesticide causing the residue in or upon the product or", and so on. This must be done even if the manufacturer is a resident of the United States. Does the minister know how difficult it is for a farmer in Canada to sue a manufacturer in the United States?

Mr. Olson: Mr. Speaker, I—

Mr. Lambert (Edmonton West): The minister will have plenty of time to reply.

Mr. Olson: I just want to ask a question.

Mr. Lambert (Edmonton West): Does the minister appreciate the chances a farmer would have of pursuing such an action, and the cash he would have to put up as security for costs in bringing an action in a foreign jurisdiction? The clause continues:

> (ii) any person whose act or omission resulted in or contributed to the presence of the pesticide residue in or upon the product.

This provision includes a former owner of the land who may be deceased and whose estate may be penniless. It includes the employee or agent of the former owner or of the farmer, who may be penniless, may have absconded or done something which means he is unable to be present.

Mr. Olson: Mr. Speaker, could I ask the hon. member a question?

Mr. Lambert (Edmonton West): This is a condition absolutely precedent.

Mr. Olson: Has the hon. member taken the time to read subclause 2, which provides as follows:

—as a condition for the payment of any compensation to a farmer under this act, the consent of that farmer for the minister to pursue on his behalf—

The hon. member has apparently not read that subclause.

Mr. Lambert (Edmonton West): Mr. Speaker, the minister betrays his ignorance of the interpretation of a legal section. The first part of this clause provides that no payment of compensation shall be made to a farmer in respect of a loss occasioned to him unless something is done. There are no "ifs", "ands" and "buts"; there are no "mays". There is nothing permissive in clause 5(1), which is the only one the Senate eliminated.

The Senate retained subclause 2 and renumbered it 1; they moved forward subclause 3 and renumbered it 2; they have also inserted a third subclause to deal with an excess of recovery. The chances of that may be pretty slim, but they have provided for it. The minister says the Senate felt that he already has sufficient power under the act. He has. I will show him where he has this power. I ask the minister to look at clause 4 on page 3 of the bill. This clause provides:

The Governor in Council may make regulations

(a) prescribing the procedures to be followed in claiming compensation;—

The Governor in Council is the minister. The clause continues:

(b) prescribing the methods to be used in determining the eligibility of any farmer for compensation;—

• (3:40 p.m.)

I wonder why the minister does not have the brains to include in those regulations the provision that a farmer cannot make a claim unless he washes off the residue or does whatever is necessary, as stated in clause 5(1) (a) which he complains is being taken out. When I use the word "brains" I mean it to apply to the minister and his officials. I wonder why they do not have the ingenuity to draft such a regulation. The power is right there in the regulations, it is even better than in the statute. But the minister must recognize that clause 5 (1) (a) allows no latitude except to the minister. He can ask that they do anything. He is merely repeating here the powers that are already given to him under clause 4 (b), Clause 5 (1) (a) is merely a restatement of what can be done under clause 4 (b), but it is coupled with a mandatory requirement to pursue any action against another party.

The minister is wrong if he thinks that that is an easy obstacle for a farmer to surmount. I have indicated why I oppose this bill in its present form. It is because I think it is a diabolical piece of legislation in the powers that it grants. It might be hoped that one of these days the hon. member for Burnaby-Seymour (Mr. Perrault) would have an agricultural inspector move in on his premises under this or any other act. He will then see what recourse he has. I know he has always fought for the rights of the individual, but under this bill the individual has no rights. Even the hon. member for Grenville-Carleton (Mr. Blair) could not keep an agricultural inspector out of his premises.

Mr. Blair: The public have their rights.

Mr. Lambert (Edmonton West): I heard the hon. member argue that the public have rights under the Precious Metals Marking Act, but the minister disagreed with him, and I too disagree with him although he is a friend of mine. Surely individuals have rights and should not be subject to the whim of any government inspector. The hon. member might keep all the drugs he wanted in the basement of his house and the authorities would need a search warrant to enter his house, but if he has some pesticides—

Mr. Olson: You are talking about the wrong act.

Mr. Lambert (Edmonton West): I am not, Mr. Speaker. The same threat applies throughout Bills C-154, C-155 and C-157. I have pointed out the reasons why I disagree with the minister, and on that basis I cannot accept his persuasions with regard to this bill. He is using the wrong methods to achieve what he wants to do. There are many ways in which he could do this with a great respect for the rights of the individual. As a matter of fact I would say the minister is giving them the possibility of compensation but he is asking them to climb over mountain ranges in order to recover a nickel's worth of compensation at the other end. The minister has destroyed the principal purpose of the bill and made a hollow mockery of what he intends to do.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, when an opposition member has to decide between the Minister of Agriculture (Mr. Olson) and the Senate he finds himself in an awkward position. In this case I find that I cannot go along with the Senate. Since this is a relatively new field we accept the suggestion of the Minister of Agriculture that this point could be considered at another time if there is need for a change. I for one do not have strong feelings one way or the other, at this stage at least. In this case I go along with the suggestion made by the minister.

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

Mr. Lambert (Edmonton West): On division.

Motion agreed to.

PEST CONTROL

REGULATION OF PRODUCTS USED IN CONTROL PROCEDURE—NON-CONCURRENCE IN SENATE AMENDMENT

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, with respect to the amendment to Bill C-157 that the other place has suggested I move:

That a message be sent to the Senate to acquaint Their Honours that this house disagrees with the amendment made by the Senate to Bill C-157, an act to regulate products used for the control of pests and the organic functions of plants and animals, for the following reasons:

It is difficult to foresee all the ramifications of an appeal procedure provided by cross-reference to another proposed statute that was substantially amended by the house after the amendment to this bill was made by the Senate;

The amendment provides for a review procedure that was considered by the House of Commons and rejected; and

Any manufacturer, under the proposed statute without this amendment, would have not only an opportunity, but an obligation to present in detail all required technical information, and, in addition, a review procedure already is provided for all cases where goods are detained.

I wish to be brief in giving an explanation as to why we disagree with the amendment proposed by the Senate to Bill C-157. As I said, the advice to the House from the Senate was dated March 25, and on March 28, or several days later, this house did in fact amend Bill S-26 by deleting subclauses 3, 4 and 5 of clause 8 and substituting two other subclauses. Therefore it would be difficult for us to foresee all the ramifications of this cross-reference since the other bill has not gone through all the final stages yet, if my information is correct.

However, there was a discussion on this matter in the Standing Committee on Agriculture and a recommendation was made that an appeal procedure be provided. We agreed, and in fact it was amended slightly at that stage to allow for a review in the case of a disagreement and to give manufacturers an opportunity to take their case before officials of the department if any goods are detained. That is important, of course, and in any event it is always done as a matter of courtesy and good administration, but I think they should also have the right that was put in the clause. They have not only an opportunity to do so but an obligation to provide all the technical information required respecting the product to the department in the first instance, before it is registered. The provision is perhaps redundant inasmuch as the House of Commons had a debate on it and in the wisdom of hon. members, having heard from the representatives of the Chemical Association, the amendment which was made was considered to be satisfactory.

• (3:50 p.m.)

Hon. Marcel Lambert (Edmonton West): Again, Mr. Speaker, there is a difference of opinion between the minister and myself. Personally, I do not like the type of amendment put forward by the hon. Senators. It is a scissors and glue type of operation, importing into one statute provisions from another. Instead of saying precisely what is meant in the statute under consideration, reference is made to another statute. True enough, the hon. Senators were working under some difficulty in trying to fit into an existing bill something which I think was quite correct in principle.

Notwithstanding what the minister said about the manufacturers of a pesticide furnishing all the details as to chemical composition and so on, I point out that nothing in any way deters an inspector from entering. An inspector has full power to move into premises at any time he considers reasonable, to seize products and detain them. Even if there is damage to the products as a result there is no right of compensation against the government or against the actions of the inspector. It is true an action for damages might lie in some other way, but under this legislation nothing of that nature is provided. The minister's officials may be as arbitrary as they like. Their actions may lack a good foundation in knowledge.

Mr. Olson: Very unlikely.

Mr. Lambert (Edmonton West): The minister says "very unlikely". I know the hon. gentleman draws his inspiration from above. He is divinely aspired. But the other people are mere mortals and pigheaded errors do arise. Yet there is no recourse for a manufacturer at all, no recourse for a person on whose premises products deemed at one moment to be injurious may be seized and detained.

Why object to a review? The principle of a review is granted in Bill C-154, if I recall correctly, but not under this legislation. The principle of fairness to all parties has suddenly disappeared. While I do not like the exact nature of the solution put forward by hon. members of the other place, I say that essentially they are right. There must be provision for a review.

I put this on the record: I personally do not accept the minister's motion and I am prepared to vote against it. I urge hon. members to approach this legislation in the same way. The Minister of Justice (Mr. Turner) might want to take a look at this. I know some of the officials in the legislative drafting section of the Department of Justice and I am appalled at some of the work which has come out. It amounts to a denial of justice all the way through, a denial of basic, ordinary justice. Yet because this has a ministerial imprint and we are working under a sort of presidential ukase system we are supposed to accept this bill. I am amazed at the silence of some of the lawyers on the government side. If they were on this side of the house they would be talking for perhaps twice as long as I am about the rights of individuals and the way in which they are being curtailed by some of the legislation put forward at this time.

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I should like to add to the words of my hon. friend concerning the minister's comments on the Senate amendment to this bill. I am of the considered opinion that although the principles contained in these three bills are good and an honest attempt has been made to help the business of agriculture, the legislation is less than satisfactory because of the fact that the interested parties in their dealings with the government can only act by leave of the government and its representatives. This is borne out by the fact that the hon. Senators recognized that under this bill there is a possibility of arbitrary action. They also recognized that the industry was given no right of appeal and considered that such a right should not be denied to any segment of Canadians.

Like the hon. member for Edmonton-West (Mr. Lambert) I do not altogether approve of the manner in which the amendment has been made, seeking to implement in one bill regulations enacted under another. But in the main I think it was an honest attempt to rectify a major weakness in the legislation.

In my opinion the minister failed to indicate the real feelings of the chemical industry when discussing the proceedings in the Standing Committee on Agriculture. The industry in its representations did not agree with the principle set out in the bill regarding an appeal. This was one of the contentious issues. Industry representatives felt they had no method of appeal against actions which could be arbitrarily taken as a result of the powers granted to the Department of Agriculture. They were fearful of the kind of action which might be taken under this legislation.

We would be derelict in our duty if we were to grant power of this kind to a department in circumstances where it might be used in a manner harmful to the welfare of those whom the legislation was designed to help. It may be unfortunate that the amendment has been drafted in its present form, but we on this side cannot accept these bills. They are bad bills, not because of the principles involved but because of the way in which they are drafted and the arbitrary power placed in the hands of a few who, not subject to appeal, could almost cripple the day to day activities of the industry involved.

• (4:00 p.m.)

I should like to take this opportunity of registering my opposition to the fact that the minister will not accept this avenue of appeal, though in my opinion I agree with my colleague that the avenue of appeal proposed by the Senators is not perhaps the best that could have been advocated. When this bill was before us in its original form many members on this side of the house tried earnestly and sincerely to influence the minister to incorporate in the bill a direct appeal which in my humble opinion would go farther than the amendment presented by the Senate.

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

Mr. Danforth: On division

Motion agreed to.

EASTER RECESS

ADJOURNMENT APRIL 2 TO APRIL 14

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I wonder whether I might be permitted to move the adjournment of this session—

Mr. Knowles (Winnipeg North Centre): Of this house. You are not Governor General yet!

Mr. Olson: Yes, of this house. However, before I do so may I be permitted to express to Your Honour and to members on both sides of the house my wish that they will have a very restful, enjoyable and well deserved recess.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, on behalf of the members of this party we wish to thank the Acting Prime Minister (Mr. Olson) for the very kind words he has just spoken. We join in the greetings he has expressed and in particular we would like to wish Your Honour a restful and enjoyable Easter break.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, we will say it with flowers.

Mr. Speaker: I thank hon. members for their kind wishes. Before putting the motion of the minister to the house, may I take advantage of this opportunity to extend my warmest greetings and good wishes to hon. members for a well and richly deserved holiday.

[*Translation*]

I wish my colleagues of the House of Commons a restful and well-deserved vacation. I sincerely wish them all a happy Easter.

[*English*]

According to tradition I am pleased to invite hon. members to join me in room 16 at the time of adjournment.

[*Translation*]

I have the pleasure to invite the hon. members their friends, the officials of the house and their colleagues, as well as the members of the press gallery, to gather in room 16 for a few moments.

[*English*]

Mr. Olson: I move, seconded by the Minister of National Revenue (Mr. Coté):

That this house do now adjourn.

Motion agreed to.

Mr. Speaker: Pursuant to the order made this day this house stands adjourned until Monday, April 14, 1969, at two o'clock in the afternoon.

At seven minutes past four the house adjourned, without question put, pursuant to special order.

HOUSE OF COMMONS

Monday, April 14, 1969

The house met at 2 p.m.

ROUTINE PROCEEDINGS

NATIONAL DEFENCE

NATO—REPORT ON SPRING MINISTERIAL SESSION

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, in the absence of the Secretary of State for External Affairs (Mr. Sharp) who would normally report to the house on the spring NATO ministerial session, and because there has been a great deal of interest regarding this particular session, I have undertaken on his behalf to make the following report to hon. members of this house.

With your permission, Mr. Speaker, I should like to table copies in English and French of the communiqué which was issued at the conclusion of the regular spring meeting of ministers which I attended in Washington last Thursday and Friday with the Secretary of State for External Affairs.

Part of the Washington meeting was devoted to commemorating NATO's twentieth anniversary but the ministers showed little inclination to dwell on the past accomplishments of the alliance. Their attention was focused instead on problems of the future, both immediate and long term.

The immediate issue was to decide how to get on with the resolution of east-west problems. Soviet intervention in Czechoslovakia had set back hopes for improving east-west relations, but there was agreement in Washington that a continuing dialogue between members of NATO and the Warsaw Pact was the only rational course. NATO's 15 member governments therefore agreed on a policy of gradually renewing contacts with the Warsaw Pact countries and of exploring all possibilities for negotiations that might help resolve their outstanding differences with the east.

The ministers discussed at some length the proposal for a European security conference contained in the communiqué issued by the Warsaw Pact in Budapest on March 17. The conclusion was that a European security conference as conceived in the Budapest declaration posed serious difficulties, because the proposed terms of reference called for recognizing the continued division of Germany and existing borders in central Europe. To accept in advance the Communist position on these issues would clearly pre-judge the outcome of the conference. A number of the delegations in Washington, including that of Canada, considered that if the east was now seriously interested in the possibility of holding a European security conference, they might be prepared to accept realistic terms of reference. The NATO ministers agreed steps should be taken to test thoroughly the intentions of the eastern European countries, particularly on issues which might be negotiable. There was general agreement that if a conference were held it should include both the United States and Canada.

[*Translation*]

At the Washington meeting a significant new dimension was added to the ministers' discussions. It was the question of what the members of the alliance might do collectively to assist in the search for solutions of the social problems facing modern societies and in the attempt to close the gap between the properous developed countries and those of the developing world. It was acknowledged that many aspects of these questions were already being considered in other international bodies but there was a general disposition to see if NATO could help to find new and better ways of sharing views and experiences on them.

The Canadian delegation's principal aim was to ensure that NATO would use to the full its capacity to contribute to the early improvement of east-west relations. The paper on east-west relations which the ministers had before them was based on a Canadian draft and its conclusions were largely reflected in the results of the meeting.

• (2:10 p.m.)

[*English*]

In the main Canadian statement which was delivered by the Secretary of State for External Affairs, emphasis was placed not only on

east-west relations generally, but on the importance we attach to the early initiation of talks between the United States and the Soviet Union on the limitation of offensive and defensive strategic nuclear weapons. The Secretary of State for External Affairs also expressed our hope that, once begun, these talks would be pursued, despite any temporary setbacks on other fronts. He joined other spokesmen in welcoming the United States government's willingness to enter into bilateral negotiations with the Soviet Union on a number of world problems, including the limitation of nuclear arms, and the United States pledge to consult its partners as these negotiations progress.

[*Translation*]

The Secretary of State for External Affairs underlined the importance which Canada attaches to including China in any attempts to settle major world problems. He informed the meeting of the steps taken thus far toward establishing diplomatic relations with the Peking government and that we have now had a response from the Chinese, indicating their willingness to enter into substantive discussions. These will be taking place in Stockholm through the two embassies with our embassy reinforced as necessary by sending officials from Ottawa. The expectation is that these discussions will get underway in about a month's time. There is no indication of how long this will take. We are anxious for them to succeed, but they will be essentially confidential and are not likely to be helped if carried out under the glare of constant publicity.

[*English*]

The Secretary of State for External Affairs and I used the occasion of the meeting to explain to our allies the outcome of our defence policy review as it will affect our approach to NATO in the future. We confirmed Canada's intention to remain in the alliance and informed the members of the decision to embark on a planned and phased reduction of the size of the Canadian forces now stationed in Europe. We explained that in carrying out this decision, the government intended to consult closely with Canada's allies. The purpose of consultation would be to enable us to take account of the views of our allies as plans are made regarding the nature and the timing of the reduction of our forces in Europe and the extent and location of Canada's continuing military contribution to NATO. The Secretary of State for External Affairs stated that account would also be taken of any international developments which might have a bearing on the balance of security in Europe and elsewhere.

A number of the ministers referred specifically to Canada's recent decision. While they welcomed our intention to remain in the alliance, they expressed the hope that the decision to reduce our forces in Europe would not be carried out in such a way as to jeopardize the security of the alliance or the prospects for east-west negotiations. With these considerations in mind, they welcomed our undertaking to consult them on our plans.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I think it is rather a pity that this is the first opportunity we have had in parliament to discuss this new policy of the government—whatever it may be—which was announced the day after the house recessed. Quite apart from any personal opinion I might hold in this regard, I think it would be rather difficult for the government to persuade the people of this country that the step taken, as announced on the day after the house recessed, did not demonstrate considerable contempt for this ancient institution.

I really feel for the minister who has just spoken because it must have been rather difficult for him to carry this message to Washington and to attempt to explain to our NATO allies the Prime Minister's policy in respect of defence—whatever that policy might be. We cannot help but feel this way on the twentieth anniversary of the establishment of NATO, a time that reminds us of the part Canada played in the establishment, the foundation and the development of this alliance.

I agree of course that the immediate issue was to decide how to get on with the resolution of east-west problems. I agree with that wholeheartedly. I agree of course that the ministers were wise to explore to the full the possibility of the countries of the east being serious with regard to the détente. The fact that this should be the theme of this meeting of NATO ministers emphasizes to all of us how inappropriate was the decision of the government of Canada to announce on the eve of that meeting its decision to reduce its support of the NATO alliance, and thereby to that extent—which is to a considerable extent—reduce and weaken the position from which the NATO countries would be conducting any such negotiation with the countries of the east.

Some hon. Members: Hear, hear.

Mr. Stanfield: This was the theme of the meeting. It simply underlines the inappropriateness of the announcement made by the Prime Minister. I agree with the emphasis the ministers placed upon the role that NATO was always supposed to have played, or at least for some time back, in connection with the resolution of social problems. I agree that this is an area in which NATO has fallen short of expectations. I hope these words were not simply constituting a pious wish, and that NATO will in fact give the emphasis indicated regarding the contribution it might make toward a solution of such social problems.

I would favour any reorganization or reshaping of NATO which would make the alliance more effective in achieving a détente between the west and the east, which was the theme of the meeting. This was certainly an area in which Canada should have been happy to participate, instead of weakening the alliance at the opening of the meeting on such a détente.

The minister referred to the importance the ministers in Washington attached to talks between the Soviet Union and the United States on the limitation of offensive and defensive strategic nuclear weapons. This proposal will carry the support of everyone; everyone will approve of this. But will it increase the chances of success in negotiating such limitation, for conventional weapons to be reduced at the very time there is some hope, perhaps, or certainly some serious intention of discussing this sort of thing? I suggest that, by choosing this time to announce a weakening of its contribution to NATO, the government of Canada has also weakened the possibility of successful negotiations regarding the limitation of nuclear weapons.

The minister says that he and the Secretary of State for External Affairs explained to our allies the outcome of our defence policy review as it will affect our approach to NATO in the future. I am glad the two ministers were able to explain this in Washington, because the Prime Minister was not successful in explaining it here, and the minister was not successful in explaining it in the house today.

The minister has added nothing to what we already knew in this respect. It would be very interesting to speculate on what the ministers said to the representatives of our allies in NATO, and what explanation and precision they were able to give with regard to the announcement made by the Prime Minister shortly before the ministers went to Washington.

• (2:20 p.m.)

I think one has to say that the Prime Minister's statement either meant a great deal or possibly very little. The statements attributed by the Minister of National Defence to his colleague in Washington add nothing to what the Prime Minister has already said. I believe that, in view of the importance that the alliance is attaching to exploring the possibilities of a détente, the government of Canada should retract its decision to withdraw troops from NATO at this time, or announce its intention to do so commencing next year. There are a number of reasons for this; but a sufficient reason for the government of Canada's indicating its intention to continue, for the time being at least, its full support of NATO, would be the contribution that Canada would thereby make to the possibility of the alliance effectively achieving a détente between the east and the west which, after all, is what we all want.

I have to say that the statement made by the Prime Minister has weakened the possibility of a détente, and the vague statement made by the minister as well as the apparently vague generalizations expressed to the ministers in Washington have changed nothing in that regard.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I understand from the statement of the minister that he and his colleagues explained to the representatives of our allies in Washington precisely what was meant by the proposed planned and phased reduction of the size of our Canadian forces in Europe. I wonder if he left them as much in the dark as we have been left on this subject. I do not believe any member of the opposition at least has the haziest notion of what planned and phased reduction is in process. We do not know whether the words used by the Prime Minister are words of political compromise or whether they cover up a serious intention and plan to change the role of Canada, as we in this party have made clear from time to time we believe it should be changed.

I suggest to the government that it is time not just to talk about a phase two, but to let the country into its confidence as to precisely what it has in mind and to consult parliament about this. The Prime Minister has made a statement which has been heralded as a

highly important and deep seated review of a crucial phase of our foreign and external policy. This was done the day after parliament adjourned. Here we are back again today and the Minister of National Defence makes a statement in which he says that he informed our allies, but he did nothing to inform this house about the crucial details. I was pleased, as I am sure other members of the house were, to find that in the consultations at NATO there seems to have been a new emphasis on the manner of organizing a détente. We in this party warmly welcome that because we want to make it perfectly clear that in our view NATO cannot continue to have the loyalty and credibility of its member nations unless it ceases to be merely a bureaucratic military alliance continuing policies that were appropriate in the past and that are no longer appropriate at the present time.

I am inclined to regret that the proposal for a European security conference seems to have been pushed aside, although perhaps that is wrong and it is really to be explored. May I say that we in this party will give our warmest support to anything that this government does while it is a member within NATO to see that NATO is used for the purpose of organizing and arranging a new security system in Europe.

To end these remarks, may I express the hope that the minister's announcement is only a brief prelude to a full discussion both in this house and in the defence committee of the urgent defence and external affairs policies which call for decision at the present time.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, my remarks concerning the statement made by the Minister of National Defence (Mr. Cadieux) will be rather brief.

I wish to thank the minister for sending me a little in advance a copy of this statement, but I would like to point out to him, however, that it was drafted only in English. Nevertheless he did take the trouble to give us a few extracts in French and the interpreters did the rest.

I am happy, as everyone is, to find out that following this conference commemorating NATO's twentieth anniversary, steps have been taken to continue or intensify negotiations in order to improve, if possible, through NATO, the security of Europe.

[Mr. Brewin.]

As far as am concerned, I believe that as long as there are negotiations, as long as there is a dialogue, one can hope for improvements in the existing differences. However, I still have a doubt, because if we consider the billions of dollars the existing powers are spending year after year for armaments, we can but ask ourselves whether this is serious. For instance if we look at the statistics for the year 1967, we shall see that in the countries we know approximately $6 billions have been spent on depelopment work and $150 billions on armaments. And when one spends 25 times more on armaments than on development, one must ask oneself if this is logical and what one is after, on the Warsaw Pact side as on the NATO side.

Mr. Speaker, the minister tells us that other matters were discussed, such as the external aid the member countries of NATO can provide.

I believe that we could do a lot more by reducing arms expenditures, by increasing our assistance to the developing countries, and by helping the European countries to pursue their development and to meet their own needs.

And that is why, Mr. Speaker, I agree that Canada should continue her contribution to NATO, but recall her troops home as soon as possible. If necessary, she can, at a given time, contribute to the defence of Europe.

I conclude my remarks by saying, as did the Leader of the Opposition (Mr. Stanfield) at the beginning of his observations, that the brief statement made this afternoon is far from completing the one made after the adjournment for Easter. I hope, Mr. Speaker, that we will get the chance, very soon, to discuss and study in detail our participation to the defence of Europe, to NORAD and to the defence of the free world in general.

• (2:30 p.m.)

[*English*]

NATIONAL RESOURCES AND PUBLIC WORKS

CONCURRENCE IN THIRD REPORT OF STANDING COMMITTEE

Mr. Leonard Hopkins (Renfrew North) moved that the third report of the Standing Committee on National Resources and Public Works, presented to the house on Tuesday, April 1, be concurred in.

Motion agreed to.

PRIVILEGE

MR. LEWIS—PROTEST AGAINST TIMING OF NATO STATEMENT BY PRIME MINISTER

Mr. David Lewis (York South): Mr. Speaker, I rise on a point of privilege affecting this chamber. Your Honour will recall that on April 2, the day on which we adjourned for the Easter recess, I rose to protest the fact that the Prime Minister (Mr. Trudeau) did not then present the decision of the government regarding its review of defence policy, a decision that we were told had to be made public by April 10. Within 24 hours of the adjournment the Prime Minister did make such a statement outside the House of Commons.

There is no sense threshing over past affairs, but I rise now to protest just as vigorously the fact that the Prime Minister did not even find it necessary to rise in his place today and table the document which he presented to the press outside this chamber on Thursday, April 3. It seems to me that at least he should have had concern enough for the work of this parliament to want to make a very important document, one perhaps even more important in his mind than in the minds of some of us, part of our parliamentary work, part of *Hansard, Votes and Proceedings* or what not.

This is another example of—as I called it on April 2—the cavalier treatment of this house by the Prime Minister who, I repeat did not find it necessary at least to do what is demanded of a Prime Minister—that an important document given to the press be placed before this House of Commons with some explanation as to what it meant, so that there could be a minimum of discussion of what the government presented on Thursday, April 3 after parliament adjourned. I can find no words strong enough to condemn that kind of treatment of the House of Commons by the Prime Minister.

Mr. Speaker: Order, please. Perhaps if it is the wish of the house the Prime Minister may be allowed to reply. But at the same time, in my view, the hon. member for York South has raised a grievance rather than a question of privilege. In any event, his point was not followed by a motion and I do not think the matter should now be the subject of a debate. In view of this I would think it might be inadvisable to have a debate of any nature, even by way of a statement by the Prime Minister.

I hope hon. members will agree with my suggestion that in view of the fact that there is not, in my opinion, a question of privilege here, and particularly since the point raised by the hon. member for York South has not been followed by a motion, there is no question before the house and there should not be a debate at this time.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

*LANGUAGE COURSES—FRENCH AND ENGLISH

Question No. 1,102—**Mr. Beaudoin:**

1. Does the government intend to set up a program of English or French courses for employees in federal departments and, if so, when will these courses begin?

2. If not, does the government intend to make a study on the subject?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: 1. The government, in 1963, authorized language training courses in the French and English languages (as second languages) for employees in the Public Service. These courses began early in 1964 and the number of such courses has been systematically increased as teaching resources became available in Ottawa and other major centres across Canada where the need for second language skills has been identified. These courses are operated under the jurisdiction of the Public Service Commission and are available to selected employees in all government departments and agencies and in a number of Crown corporations.

2. See 1 above.

[*English*]

THE EXPO EXPRESS

Question No. 1,182—**Mr. Beaudoin:**

1. What was the cost of the Expo-Express to (a) the City of Montreal (b) the Government of the Province of Quebec (c) the federal government?

2. Has the Expo-Express been sold and, if so, to whom was it sold and for what amount?

3. Were there conditions involved in the sale and, if so, what were these conditions?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Canadian Corporation for the 1967 World Exhibition reports

that: 1. The Canadian Corporation for the 1967 World Exhibition, and not the three governments, met the cost of the Expo Express. The cost of any single item purchased by the Corporation has never been allocated among the three governments. The total cost of the equipment, design and installation of the mass transit system (Expo Express) as reported in the fifth annual report, page 48, schedule 5, was $13,418,848.

2. Yes. The Canadian Corporation for the 1967 World Exhibition sold the Expo Express to the Société Urbaine des Transports Rapides Inc. (SUTRI) for $1,880,000. In turn, Sutri sold the Expo Express to the City of Montreal for their acquisition price i.e. $1,880,000.

3. No.

[*English*]

FARM PRODUCTS PRICE INDEX

Question No. 1,468—**Mr. Douglas (Assiniboia):**

1. For what reason is the Dominion Bureau of Statistics still using the 1935-39 base for computing the index for farm product prices, when the base year has been revised more than once for most other price index reports?

2. Is consideration being given to up-dating the farm price index to make it comparable with other price reports?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: 1 and 2. The main reason for the index of farm products still being on the 1935-39 base was the priority assigned to the revision of the index of farm production. The revision of the index of farm product prices is now under way and it is expected that a series based on 1961 = 100 will be published by September of this year.

TRAVEL IN ATLANTIC PROVINCES

Question No. 1,522—**Mr. Diefenbaker:**

1. Is the Canadian Government Travel Bureau planning an advertising campaign in the United States designed to promote increased travel to the Atlantic Provinces?

2. If so, what is the name of the Canadian advertising agency entrusted with the responsibility of directing this campaign?

3. What amount has been paid, or is to be paid, to the agency for the purpose of buying television time in the United States?

4. Has said agency sub-contracted to any other advertising agency in the United States or Canada the job of buying such television time?

[Mr. Pepin.]

5. If so, what is the name of such Canadian or American agency, and on what basis was selection for sub-contracting made?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): 1. Yes.

2. Stanfield, Johnson and Hill Limited.

3. To be paid in 1969, $168,000.

4. No. But Stanfield, Johnson and Hill Limited has bought the TV time concerned through a media buying service in New York City (not an advertising agency). No extra costs were involved in using this service, either to Stanfield, Johnson and Hill Limited or to the Canadian Government Travel Bureau. (The media buying service receives its compensation by purchasing block time at preferential rates and selling (portions of it) it for use by advertisers at rates sufficiently higher to realize a profit on operations.)

5. RDR Associates, N.Y. City. The selection was based on advice from Lennen & Newell Inc. (The United States associate of Stanfield, Johnson and Hill Limited.) and as a result of a study by Stanfield, Johnson & Hill Ltd. on methods of buying TV spot time. This study which examined alternative firms and methods, including test comparisons of comparable buys, showed that the most efficient method of buying time required for the campaign was by utilizing a media buying service.

PRINCE EDWARD ISLAND UNIVERSITY GRANTS

Question No. 1,575—**Mr. MacLean:**

1. What amount was spent by the federal government for university grants in Prince Edward Island for each of the fiscal years from 1964-65 to 1968-69 inclusive?

2. What amount is estimated to be spent for university grants in Prince Edward Island in the fiscal year 1969-70 and is this amount included in the amounts proposed to be spent under the Comprehensive Development Plan?

Mr. Yves Forest (Parliamentary Secretary to President of Privy Council): I am informed by the Departments of the Secretary of State and Regional Economic Expansion as follows: 1. and 2. From 1964-65 to 1966-67 federal University Grants were paid on a per capita basis ($2 per capita of provincial population in 1964-65 and 1965-66, and a national average of $5 per capita of population in 1966-67), through the Association of Universities and Colleges of Canada, to the two eligible institutions in Prince Edward Island.

Payments of University Grants were: 1964-65, $214,000; 1965-66, $216,000; 1966-67, $557,000.

The University Grants program was terminated March 31, 1967. Therefore, since that date there has been no federal program for direct support of universities. However, under Part II of the Federal-Provincial Fiscal Arrangements Act 1967, which came into force April 1, 1967, Canada transfers fiscal resources to the provincial governments to assist them in meeting the rising costs of post-secondary (including university) education generally. The extent to which these transferred resources are used by the provinces for the support of universities is, of course, a matter for provincial authorities to decide. The value of these transfers under Part II of the Federal-Provincial Fiscal Arrangements Act, 1967 (consisting of tax abatements of 4 percent of individual income tax and 1 percent of corporation taxable income, and cash adjustment payments) to the government of the Province of Prince Edward Island is estimated at $1,635,000 for 1967-68 and $2,049,000 for 1968-69. For 1969-70 it is forecast that this figure will further increase to about $2.56 million. These estimated and forecast amounts are, of course, subject to adjustment when final audited data are available on post-secondary education operating costs, and final values of tax abatements are calculated. These amounts are not included under the Comprehension Development Plan.

Questions

SASKATCHEWAN—INDUSTRIAL TECHNOLOGY GRANTS

Question No. 1,602—**Mr. Burton:**

For the fiscal year 1967-68, how many grants were made to plants in Saskatchewan under the Program for the Advancement of Industrial Technology (a) what is the name of each plant receiving a grant (b) what amount of grant was received by each plant?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): In fiscal year 1967-68, payments were made by the Department of Industry under the program for the Advancement of Industrial Technology to one company in the Province of Saskatchewan. (a) Interprovincial Steel and Pipe Corporation Ltd., Regina, Sask.; (b) $61,584.

POPULATION AND EMPLOYMENT STATISTICS

Question No. 1,604—**Mr. Latulippe:**

What was the population of Canada and the number of Canadian Government employees in (a) 1934 (b) 1939 (c) 1944 (d) 1949 (e) 1954 (f) 1959 (g) 1964 (h) 1969 (or 1968, if figures for 1969 are not available)?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: The population of Canada and the number of Canadian Government employees for the years specified are as follows:

			No. of Government Employees as at March 31st		
	Year	Estimated Population	In Crown Corporations	Under Civil Service Act	Total
(a)	1934	10,741,000	—[1]	40,469	[1]
(b)	1939	11,267,000	—[1]	46,106	[1]
(c)	1944	11,946,000	—[1]	112,658[2]	[1]
(d)	1949	13,477,000	—[1]	123,924	[1]
(e)	1954	15,287,000	139,473	171,366	310,839
(f)	1959	17,483,000	131,973[3]	197,909	288,420
(g)	1964	19,290,000	130,760	201,900	332,660
(h)	1968	20,744,000	133,862	235,492	369,354

[1] Prior to 1952 there were no Crown Corporations. Up to and including 1951, statistics included only departmental employees and only those employed under the Civil Service Act. This excluded, in addition to the Armed Forces, members of the R.C.M.P. and most of the prevailing rate and casual employees. In April 1952, a new statistical series was instituted and included the above-mentioned exclusions except the Armed Forces. At the same time, the DBS publication "Federal Government Employment" (DBS catalogue number 72-004) included Crown Corporation statistics.

Questions

[2] World War II caused the expansion between 1939 and 1944, mainly in the following departments and boards: National Defence; Munitions and Supplies; National War Services; Wartime Information Services and the Wartime Prices and Trade Board.

[3] At this period, there were more than 3,000 employees of C.B.C. and Polymer Corporation out on strike.

[*English*]

FEDERAL EMPLOYEES IN $12,000 TO $18,000 BRACKET

Question No. 1,615—**Mr. Matte:**

How many federal government employees earn a minimum of (a) $12,000 (b) $18,000 per year?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): As at March 31, 1968, the number of federal government employees under the Public Service Employment Act (excluding agencies) earning: (a) $12,000 and over, 7,051; (b) $18,000 and over, 1,291.

[*English*]

OVERTIME PAYMENTS TO LETTER CARRIERS

Question No. 1,623—**Mr. Orlikow:**

1. (a) In January and February of 1969, how much has been paid in overtime to letter carriers in Halifax, Montreal, Toronto, Hamilton, Windsor, Winnipeg, Regina, Saskatoon, Calgary, Edmonton and Vancouver (b) how much was paid in overtime to letter carriers in these cities for the same period in 1968?

2. (a) How much money was paid in the form of salaries to casual employees in the Post Offices in Halifax, Montreal, Toronto, Hamilton, Windsor, Winnipeg, Regina, Saskatoon, Calgary, Edmonton and Vancouver, for the months of January and February, 1969 (b) how much was paid to the same classification of employees in these cities in January and February of 1968?

Hon. Eric W. Kierans (Minister of Communications): In so far as the Post Office Department is concerned: 1. (a) and (b) Overtime—Paid

Post Office	Jan. 1968	Feb. 1968	Jan. 1969	Feb. 1969
Halifax	$ 807	$ 317	$ 2,995	$ 1,042
Montreal	15,632	2,948	13,612	2,455
Toronto	14,012	3,693	31,491	17,166
Hamilton	4,338	2,676	5,589	5,909
Windsor, Ontario	261	706	1,725	2,025
Winnipeg	5,239	1,335	14,707	13,371
Regina	1,885	808	3,980	2,738
Saskatoon	1,323	1,263	3,098	1,567
Calgary	3,327	2,092	9,107	7,705
Edmonton	13,757	4,862	8,400	9,225
Vancouver	27,020	21,697	36,443	36,550

2. (a) and (b) Casual help—Paid

Post Office	Jan. 1968	Feb. 1968	Jan. 1969	Feb. 1969
Halifax	$ 6,523	$ 4,158	$ 16,954	$ 17,155
Montreal	119,975	77,314	100,150	62,419
Toronto	76,891	60,642	91,849	86,000
Hamilton	3,769	3,918	6,776	17,754
Windsor, Ontario	7,519	11,305	28,924	23,613
Winnipeg	25,312	24,035	31,251	26,681
Regina	7,111	7,040	14,242	8,440
Saskatoon	5,164	5,637	3,979	4,240
Calgary	15,273	17,545	17,966	13,795
Edmonton	7,881	7,275	24,991	23,068
Vancouver	9,794	2,112	41,794	15,971

NOTE: The increase in the cost of overtime and casuals for the months of January and February 1969 in comparison to the same months in 1968 is due mainly to the following:

(*a*) Salary revision for letter carriers averaging 18.7%.
(*b*) Freezing of vacant positions effective October 2nd, 1968 to accommodate letter carrier personnel displaced by the introduction of the five-day delivery week commencing 17th February 1969.
(*c*) Abnormal increase in illness throughout the country due to some form of influenza.
(*d*) Voluntary overtime by personnel on their days of rest to cover sick leave absences.
(*e*) To help clear city mails in those offices where letter carrier walks were changed under the new walk evaluation programme and five-day delivery while regular sorters were learning new distribution schemes.
(*f*) To clear odd days of vacation leave remaining to the credit of regular employees prior to the end of the fiscal year.
(*g*) To provide assistance in laying out revised letter carrier walks.

[Mr. Pepin.]

FINANCIAL ASSISTANCE TO DOUGLAS AIRCRAFT

Question No. 1,634—**Mr. Skoberg:**

1. What was the total amount of financial assistance provided to Douglas Aircraft of Canada Ltd., insofar as the Department of Industry is concerned for each of the following years: 1965, 1966, 1967 and 1968?

2. What were the terms and conditions under which financial assistance was provided to Douglas Aircraft of Canada Ltd. for each of the following years: 1965, 1966, 1967 and 1968?

Hon. Jean-Luc Pépin (Minister of Industry, Trade and Commerce): 1. The Department of Industry has entered into shared cost projects with Douglas Aircraft of Canada Limited as follows: 1967: Maximum Crown commitment amounted to $2,086,862. Payments in 1967 were $626,314, and in 1968 were $783,848. 1968: Maximum Crown commitment amounted to $20 million. As of December 31, 1968, no payments have been made.

No financial assistance was given to the company in 1965 or 1966.

2. Commitments, payments and advances in the form of cost shared contracts under the terms and conditions governing the Defence Industry Productivity Program.

MOOSONEE EDUCATION CENTRE

Question No. 1,635—**Mr. Roy (Timmins):**

1. What was the cost or charge per day, per student, to the Manpower Retraining Program for each course given at the Moosonee Education Centre during the months of September, October, November and December 1968?

2. What was the cost or charge for similar courses given at Timmins or the location nearest Moosonee where similar courses were given for the same months?

3. Have these costs or charges been paid or are some payments being held pending investigation and approval?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): 1. Interim costs per day, per student, to the Department of Manpower and Immigration for courses given at the Moosonee Education Centre during the months of September, October, November and December 1968 were as follows: Construction labourers' course, $8.00; Heavy equipment operators' course, $15.00; Hotel and hospital services course, $6.00. Final costs will not be determined until after the close of the fiscal year 1968/69.

2. Interim costs for similar courses given at Timmins or the location nearest Moosonee where similar courses were given for the same months were identical to the costs provided under (1).

3. The interim costs have been paid to the Province of Ontario, but these payments will be subject to any adjustment which final accounting may require.

*BUTTER IMPORTS

Question No. 1,640—**Mr. Ricard:**

Was any butter imported by Canada between April 1, 1967 and March 31, 1968 and, if so (a) from what country (b) how many pounds (c) at what price?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the Dominion Bureau of Statistics reports that imports of butter into Canada between April 1, 1967 and March 31, 1968 were as follows:

Country	Quantity Cwt.	Value $'000
Belgium-Luxembourg	11,685	265
France	330	11
Netherlands	6,670	136
Germany East	4,409	98
Poland	3,307	67
New Zealand	100	5
Totals	26,501	582

FEDERAL ELECTION EMPLOYEES

Question No. 1,642—**Mr. Caouette:**

1. How many employees did the government hire for the last federal election?

2. With regard to the said election, what were the expenses under (a) salaries (b) rentals (c) stationery (d) publicity and sundries?

3. What was the total amount spent by the government on the last election?

Hon. Gérard Pelletier (Secretary of State): I am informed by the Chief Electoral Officer as follows: 1. 191,254.

2. (a) $8,133,821.94; (b) $1,525,336.84; (c) $503,135.89; (d) $2,026.42 (publicity), $3,677,-162.99 (sundries).

3. $13,841,484.08.

RAILWAY COMMUNICATIONS WITH RETURNING OFFICERS

Question No. 1,645—**Mr. Caouette:**

1. What was the total amount paid by the government to the CNR and the CPR for communications with Returning Officers during the last election?

2. What is the present debt of Canadian National Railways?

Questions

Mr. Yves Forest (Parliamentary Secretary to President of Privy Council): I am informed by the Chief Electoral Officer and the Canadian National Railways as follows: 1. C.N.R., $16,144.61; C.P.R., $6,011.96.

2. $1,919,560,709.

EXEMPTIONS FROM POSTAGE

Question No. 1,652—**Mr. Cyr:**

Is it government policy to require the Post Office Department to cover its costs and, if so, does the government intend to amend Section 17 of the Post Office Act so that the Governor General, the House of Commons, the Senate and departments of government are no longer exempt from postage?

Hon. Eric W. Kierans (Minister of Communications): In so far as the Post Office Department is concerned: Ultimately, it is the intention to place the Post Office Department on a balanced budget. While there are no immediate plans for amending Section 17 of the Post Office Act, the value of the free postage privileges afforded under this section is regarded as postal revenue in the Department's annual statement of revenues and expenditures as shown in the Postmaster General's Report.

TRANSFER OF UTILITY COMPANIES TAXES

Question No. 1,653—**Mr. Fortin:**

Since 1947, what amount was paid each year by the federal government to each of the provinces in connection with the transfer of the income tax of public utility companies (electricity, gas and steam) and in this regard have the provinces requested the inclusion of telephone companies?

Hon. E. J. Benson (Minister of Finance): The amount paid by year and province is shown in the attached table. The provinces have not requested the inclusion of telephone companies under the Public Utilities Income Tax Transfer Act.

TRANSFER OF INCOME TAX ON PUBLIC UTILITIES (ELECTRICITY, GAS AND STEAM)

AMOUNTS PAID BY THE FEDERAL GOVERNMENT[1] TO EACH OF THE PROVINCES

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
1947–48 1948–49	No Transfer Payments										
1949–50	—	400	125,000	25,000	—	—	225,000	25,000	425,000	550,000	1,375,400
1950–51	—	13,331	199,879	263,963	1,247,319	815,129	224,999	43,001	767,217	990,717	4,565,555
1951–52	61,844	19,109	138,107	163,902	558,564	629,671	330,966	32,952	792,660	1,004,513	3,732,288
1952–53	98,217	22,738	173,482	186,895	910,009	474,195	382,577	30,963	991,439	1,099,003	4,369,518
1953–54	161,025	29,854	279,306	283,422	2,120,262	1,096,520	569,161	43,336	1,395,600	852,670	6,831,156
1954–55	190,294	43,037	299,969	215,685	1,661,295	1,342,398	27,541	43,700	1,658,379	1,811,718	7,294,016
1955–56	208,355	52,081	355,698	207,512	1,009,105	1,574,188	113,925	47,000	1,958,242	2,421,955	7,947,971
1956–57	214,062	36,098	237,672	227,883	1,186,280	1,428,408	50,636	50,181	1,767,348	1,415,270	6,613,838
1957–58	247,382	52,110	400,936	219,883	1,675,230	1,333,166	61,254	66,420	1,980,380	1,325,456	7,362,217
1958–59	285,982	48,826	459,743	201,716	2,281,326	1,589,708	46,454	96,210	2,216,315	1,456,449	8,682,729
1959–60	177,229	35,908	232,911	100,512	1,504,196	1,042,652	20,233	50,938	1,239,000	349,573	4,753,152
1960–61	130,467	41,604	346,097	115,431	1,220,908	577,914	26,575	58,385	1,448,937	259,833	4,226,151
1961–62	149,226	54,377	474,799	92,629	2,063,623	651,465	52,709	59,356	1,870,487	927,888	6,396,559
1962–63	170,550	51,869	478,557	39,808	4,481,500	967,307	46,705	26,452	2,646,874	1,090,378	10,000,000
1963–64	195,734	54,374	638,118	40,318	4,622,537	1,018,591	46,226	9,145	2,741,814	501,351	9,868,208
1964–65	243,345	60,044	738,309	55,370	4,264,594	1,064,271	49,673	12,920	2,906,336	284,215	9,679,077
1965–66	262,517	56,607	683,258	23,943	979,504	1,321,361	43,932	9,729	2,569,284	436,793	6,386,928
1966–67	311,853	64,069	616,119	32,131	595,555	1,050,879	88,889	12,046	2,932,417	248,128	5,952,086
1967–68	374,819	66,446	633,730	34,244	672,568	1,576,385	276,170	10,585	2,886,061	168,992	6,700,000
1968–69 prelim.	1,222,552	232,576	1,911,898	122,512	2,875,297	5,462,996	923,532	34,960	7,430,739	560,999	20,778,061

[1] Public Accounts of Canada.

Questions

PUBLICATIONS AVAILABLE IN BOTH OFFICIAL LANGUAGES

Question No. 1,659—**Mr. Fortin:**

1. How many of the publications of the Dominion Bureau of Statistics are available (a) in French only (b) in English only (c) in both languages?

2. Of the members of the staff of the Dominion Bureau of Statistics receiving an annual salary of $17,000 or more (a) how many have French as their mother tongue (b) how many have English as their mother tongue (c) how many are bilingual?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports: 1. There are 85 DBS publications available in either French or English; 733 DBS publications are available in English only; and 707 DBS publications are available in bilingual form.

2. There are 41 public servants earning $17,000 and more in the Dominion Bureau of Statistics, 8 of whom are bilingual. The breakdown by mother tongue is: those whose mother tongue is French, 3; those whose mother tongue is English, 29; those whose mother tongue is other than French or English, 9.

[*English*]

REPORTS TO C.R.T.C. OF POLITICAL BROADCASTS

Question No. 1,667—**Mr. Fortin:**

1. Have all broadcasting stations submitted reports to the Canadian Radio-Television Commission of all political broadcasts during the last federal general election and, if not, what stations have not yet submitted such reports?

2. What conclusions have been reached in respect of the reports submitted pursuant to Section 10 of circular no. 149 dated May 16, 1968?

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Radio-Television Commission as follows: 1. Yes.

2. The documentation will be used by the Commission when it considers the need for regulations in this area, as it is empowered to do, by section 16, paragraph 1 (b) (iii) and (iv) of the Broadcasting Act.

BANK OF CANADA ASSETS

Question No. 1,673—**Mr. Robinson:**

1. What are the total assets of the Bank of Canada?

2. How much of the deposits of the Bank of Canada are in specie (a) gold (b) silver (c) paper (d) other?

3. Where are these assets deposited and, if in various provinces, how long has it been the policy of the Bank of Canada to deposit these assets in different provinces?

4. What is the value of real assets, i.e., buildings, harbours, wharfs, plants and equipment of the federal government in each province and territory?

[Mr. Benson.]

Mr. Yves Forest (Parliamentary Secretary to President of Privy Council): 1, 2 and 3. In accordance with Section 26 of the Bank of Canada Act the information regarding the Bank's assets which is published each Wednesday and each month end is as specified in Schedules B and C to the Act. A copy of each return can be obtained from the Bank of the day following the date of the return, and in accordance with the Act it is also published in the next succeeding issue of the *Canada Gazette*.

4. Information is not now available to provide an accurate answer to this question and the necessary expert staff is not available to undertake the extensive work which would be required to gather the necessary information.

CITIZENSHIP QUALIFICATIONS OF C.B.C. EMPLOYEES

Question No. 1,682—**Mr. Corbin:**

1. Are there full-time or part-time employees of the C.B.C. who are not Canadian citizens?

2. If so (a) how many are employed by the French network (b) how many are employed by the English network (c) in what branches do they work?

Hon. Gérard Pelletier (Secretary of State): I am informed by the C.B.C. as follows: 1. Yes.

2. Figures on the citizenship of C.B.C. employees are not available since this information is not kept on a continuing basis.

POLLUTION OF LOWER FRASER RIVER

Question No. 1,740—**Mr. Goode:**

1. Does the Department of Energy, Mines and Resources plan to study pollution conditions on the Lower Fraser River as they relate to (a) the effects of raw sewage on the pollution of the Fraser (b) the upward movement of effluent resulting from incoming tides (c) the effectiveness of primary treatment (d) the percentage of pollution caused by industrial wastes (e) the costs to private industry of eliminating industrial waste from the River?

2. What other research into effects of primary treatment is now being carried out in Canada?

3. Does the federal government now have an anti-pollution pilot project underway in British Columbia and, if so, where?

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): 1. Water pollution control and abatement is primarily a provincial responsibility. The federal government is directly involved where pollution affects international waters, transport, fisheries or wildlife; and it also undertakes and coordinates essential water quality and pollution abatement research. The Canada Centre

for Inland Waters established by the Department of Energy, Mines and Resources will be a focal point for such research.

Federal government activity in the study of specific pollution problems normally is in co-operation with the appropriate provincial government. The Department of Energy, Mines and Resources has no plans at this time for a study of pollution conditions on the lower Fraser River directly related to the five items, (a) to (e), mentioned in the Question. The Department now is operating eight permanent water quality monitoring stations on the Fraser River and its tributaries, and plans to place seven additional stations in operation in 1969; it also will extend its analysis procedures to include pollution parameters representative of sewage waste discharges in the Fraser River system.

2. Virtually all studies of river pollution are directed to some extent to the evaluation of the effects of waste discharges, whether or not they are subject to treatment. Research into various elements of the effects of primary treatment of municipal and/or industrial waste discharges is being carried out by federal and provincial government agencies, universities, industries and consultants.

3. The Department has no specific anti-pollution pilot project under way in British Columbia at present; but negotiations are in progress for a comprehensive federal-provincial study of the water needs of the Okanagan River basin, and this study will include examination of pollution abatement requirements which may well involve pilot projects.

NITINAT LAKE INDIAN FAMILIES

Question No. 1,755—**Mr. Douglas (Nanaimo-Cowichan-The Islands):**

1. On or about December 28, 1968, did the Indian Agent at Port Alberni arrange to have a doctor and an Indian assistant call on the 14 Indian families at the new Indian Village at Nitinat Lake?

2. If so (a) what was the purpose of these calls (b) how many house calls did the doctor make and over what period of time (c) how many sick people did the doctor find (d) what were their ailments (e) what medication and treatment, if any, did the doctor prescribe?

3. What was the cost to the government for the visit of the doctor and his Indian assistant?

Hon. John C. Munro (Minister of National Health and Welfare): 1. Yes.

2. (a) To determine whether or not there was serious illness at Nitinat Lake; (b) every house on the Reserve was visited. 2½ hours. (c) Five; (d) Influenza-like disease; (e) appropriate preparations as clinically indicated.

3. Over and above salaries of government employees, $21.50.

EMPLOYMENT LOSS THROUGH POST OFFICE CLOSURES

Question No. 1,791—**Mr. Comeau:**

How many postmasters will lose employment as a result of the closing of post offices in each of the ten provinces?

Hon. Eric W. Kierans (Minister of Communications): In so far as the Post Office Department is concerned: 532 Postmasters were released so far, as a result of the closing program. 304 cases were reviewed and the Postmasters retained. 243 others will be released shortly and 2,686 Post Offices still have to be surveyed to determine their usefulness.

Hereunder is a breakdown of the situation, by Postal District.

Postal District	Number of Postmasters Released	Number of Cases Reviewed and Postmasters Retained	Number of Postmasters To Be Released	Number of Cases to Be Reviewed
St. John's	11	18	9	363
Halifax	67	3	61	268
Saint John	55	6	22	202
Quebec	32	53	39	154
Montreal	26	6	12	110
Ottawa	39	29	15	180
Toronto	28	33	10	118
London	21	19	6	80
North Bay	14	5	11	160
Winnipeg	61	36	11	322
Saskatoon	38	15	13	319
Calgary	54	12	19	73
Edmonton	58	47	13	169
Vancouver	28	24	2	168
Total	532	304	243	2,686

Questions

Records are not maintained in such a way as to permit a reply being given by province, therefore, the above list is for the postal districts rather than for the provinces.

AID TO SOUTH AMERICA

Question No. 1,796—**Mr. Muir (Cape Breton-The Sydneys):**

1. What has been the total dollar value of aid from Canada to South America in 1963-64-65-66-67-68?

2. Of the total of Canadian aid to South American countries in 1968, what was the dollar value of foodstuffs and of that amount, what proportion included (a) cereals such as wheat (b) fish or fish meal?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. The total dollar value of Canadian aid allocations, all of which have been committed is as follows: 1964: $10 million; 1965: $10 million; 1966: $10 million; 1967: $10 million; 1968: $10 million.

2. No commodities or foodstuffs have been provided under the Canadian development assistance program to South American countries.

INTEREST RATE TO PRODUCE SUPERANNUATION BENEFITS

Question No. 1,805—**Mr. Kaplan:**

Regarding all benefits paid out of the Superannuation Account of the Government of Canada either as amounts withheld from the pay of public servants "contributions" or as accretions to such contributions "interest", what is the annual rate of interest required to pay the level of benefits currently provided for under the applicable regulations and what assumptions as to levels of final earnings are made to produce this rate?

Hon. E. J. Benson (Minister of Finance): If the required credits to the Superannuation Account in addition to the contributions of public service employees and the statutory matching contribution by the Government were regarded as interest, the annual rate of interest in 1968-69 required would be approximately 8 percent.

If the statutory matching contribution by the Government were also regarded as "interest" the annual rate in 1968-69 would be approximately 10½ percent.

The assumptions as to levels of final earnings are set out in Appendices 1 and 2 of the Report on Actuarial Examination of the Superannuation Account in the Consolidated Revenue Fund as at December 31, 1962.

POSTAL COSTS PER DELIVERY

Question No. 1,815—**Mr. Gleave:**

1. What is the annual cost per delivery on rural mail routes in (a) Saskatchewan (b) Alberta (c) Ontario?

2. How many individual boxes are there in each Province?

Hon. Eric W. Kierans (Minister of Communications): In so far as the Post Office Department is concerned:

1.

Province	Postal District	Per Annum Cost Per Householder	2. Number of Householders
(a) Saskatchewan	Saskatoon	$28.69	4,908
(b) Alberta	Calgary	25.20	7,996
	Edmonton	27.57	14,556
(c) Ontario	Ottawa	19.72	77,023
	Toronto	16.61	87,012
	London	18.43	99,387
	North Bay	21.99	23,546

Note: Records are not maintained in such a way as to permit a reply being given by province, therefore the above figures are for the Postal Districts in the provinces mentioned.

COST OF GATHERING STATISTICS

Question No. 1,819—**Mr. Robinson:**

What is the annual cost to the federal government for gathering statistics?

[Mr. Kierans.]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Total expenditures of the Dominion Bureau of Statistics for the fiscal year 1967-68 were $22,474,762, and for the fiscal year 1968-69 are estimated at $24,900,000. This includes the cost of gathering, analysing, interpreting, tabulating and publishing the data collected. Accounts are not kept in a manner in which the gathering activity can be segregated.

MR. CATELLIER—C.B.C. PAYMENT FOR INTERVIEW

Question No. 1,820—**Mr. Matte:**

How much money did the CBC spend to obtain the exclusive interview with Mr. Catellier, an alleged member of the FLQ?

Hon. Gérard Pelletier (Secretary of State): I am informed by the C.B.C. as follows: No fee was paid to Mr. Catellier or anyone else in connection with this particular interview.

HOUSING FOR REFUGEES IN SAIGON

Question No. 1,824—**Mr. Godin:**

What interest rate does Canada intend to charge on the loan of $355,000 which it is granting for the construction of housing for Vietnamese refugees in Saigon?

[*Translation*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): The Canadian contribution of $355,000 for the construction of housing for Vietnamese refugees in Saigon is a grant and therefore there will be no interest.

[*English*]

REPLACEMENT FOR ROD SERVICES

Question No. 1,831—**Mr. MacInnis:**

1. Is it the intention of the Post Office Department to undertake within the Department itself the mail delivery services hitherto provided by Rod Services and, if not, in what way are such services to be carried on in view of the cancellation of the Rod Services contract?

2. Why was the Rod Services contract cancelled?

3. Is it the intention of the Department to award the contract held by Rod Services to another delivery firm?

4. With what firms have negotiations been conducted to date?

5. For what reason is this contract not being let out to tender in the normal way?

Hon. Eric W. Kierans (Minister of Communications): In so far as the Post Office Department is concerned: 1. No. Arrangements have been made with another company to undertake these services.

2. Due to a breakdown in labour relations the contractor could not meet contract requirements—contracts were terminated by mutual consent.

3. Yes, for a period of one year.

4. (1) H. Lapalme Transport Ltée; (2) Meldrum Cunningham and Wells Ltd.; (3) Autobus Y. Lévis Ltée.

5. Due to the size of the operation and equipment involved, it is considered that it would require at least three months to proceed in the normal manner.

PUBLICATIONS ACCEPTED AT SECOND CLASS RATES

Question No. 1,838—**Mr. Chappell:**

What publications have been accepted to date, at second class rates, under Sections 11 (1) b and 11 (1) c of the Post Office Act as amended.

Hon. Eric W. Kierans (Minister of Communications): In so far as the Post Office Department is concerned: Up to March 24th, 1,800 publications had been registered as second class mail.

Our records are not now maintained in such a manner that we can determine readily the Section of the Act under which each publication falls. It would, therefore, be necessary to review the records of the 1,800 publications in question.

Consequently the compilation of the information requested would necessitate a review of a substantial number of records, which would be very time consuming and require undue labour and expense.

"THE BEST DAMN FIDDLER FROM CALABOGIE TO KALADAR"

Question No. 1,840—**Mr. McBride:**

1. What was the total cost to the National Film Board of producing the film entitled "The Best Damn Fiddler from Calabogie to Kaladar"?

2. What was the cost to the CBC of the showing of this film on March 19, 1969?

Hon. Gérard Pelletier (Secretary of State): I am informed by the National Film Board as follows: 1. $83,287.

I am informed by the Canadian Broadcasting Corporation as follows: 2. $20,000.

MONITORING OF AIR POLLUTION

Question No. 1,858—**Mr. Haidasz:**

1. On what date were stations established to monitor air pollutants in Canada?

2. Which air pollutants have been studied in any national program at these stations?

3. What results have been obtained from this program?

Hon. John C. Munro (Minister of National Health and Welfare): 1. Stations to measure air pollutants on a national scale were established on a co-operative federal-provincial basis during the late 1950's. Since then monitoring has been expanded continuously.

2. The initial measurements in Canada were largely restricted to smoke haze or soiling index but during the 1960's other contaminants such as dust-fall, sulphur dioxide and suspended particulates have also been measured routinely in sample cities. At a small number of locations contaminants such as nitrogen oxides, oxidants and carbon monoxide have been measured on a non-routine basis.

3. During recent years more than 10,000 pollution readings per month have been received into the central recording section of the Department of National Health and Welfare. These are available for perusal but have not been reduced for convenient publication as yet. Generally, pollution levels in Canadian cities are equivalent to their counterparts in the United States.

*POLLUTION—NATIONAL POLICY

Question No. 1,860—**Mr. Haidasz:**

Does the federal government intend to announce during the present Session of Parliament a national policy to control environmental pollution?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the government is actively studying the entire question of environmental pollution control with a view to developing more effective national policies and programs to deal with water, air and soil pollution and their various interrelationships. These matters are being examined interdepartmentally and, although the government does not expect to be in a position to make a statement during the present session of parliament, it will do so as soon as possible. The government does expect to introduce the Canada water bill during the present session.

NEW PASSPORT OFFICES

Question No. 1,866—**Mr. Rodrigue:**

Does the Secretary of State for External Affairs plan to open new passport offices in 1969?

[*Translation*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): On January 22, 1969, the Secretary of State for External Affairs tabled a departmental press release announcing changes in passport requirements which stated, in part, that it is hoped that branch passport offices will be establish in Montreal, Toronto and Vancouver in approximately twelve months time as soon as staff resources permit. It is planned that a small office will be opened in the Maritimes at a later date.

[Mr. Munro.]

To date there has been no change in the departmental time-table for the opening of the branch offices.

[*English*]

BOX 99

Question No. 1,876—**Mr. Mazankowski:**

1. How many representations have been made to Box 99 since its inception?

2. How many of these representations have been dealt with satisfactorily?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. 6,085 representations to Box 99 to March 31, 1969. (Complaints and Enquiries).

2. 52 per cent.

TENDERS FOR INDIAN HEALTH STUDY

Question No. 1,885—**Mr. Howard (Skeena):**

1. Was there a competitive tender for a consultant study on Indian health services announced earlier this year by the Department of National Health and Welfare and, if not, for what reason?

2. What is the total estimated cost of this study?

3. When are the results of this study expected to be completed?

4. Will the study be tabled in the House of Commons?

Hon. John C. Munro (Minister of National Health and Welfare): 1. Yes, from four firms.

2. $185,000.

3. The consultant's report is to be completed by August 31/69.

4. No.

ST. LAWRENCE RIVER WATER SAMPLES

Question No. 1,892—**Mr. Godin:**

1. Did the Department of National Health and Welfare take water samples from the St. Lawrence River in the summers of 1967 and 1968?

2. If so, did the analysis of this water reveal that there was a danger for bathers in (a) Tadoussac (b) Quebec City (c) Trois-Rivières (d) Montreal?

Hon. John C. Munro (Minister of National Health and Welfare): 1. The Department of National Health and Welfare has carried out water quality studies on the international section of the St. Lawrence River (from Kingston, Ontario, to Cornwall, Ontario), each summer since 1965. These studies were conducted under the aegis of a current reference to the International Joint Commission on Lake Erie, Lake Ontario and the International Section of the St. Lawrence River.

2. As the studies have been limited to the international section of the St. Lawrence River, water quality data collected cannot be interpreted with regard to conditions in the vicinity of (a) Tadoussac (b) Quebec City (c) Trois Rivières (d) Montreal.

COMMISSION TO STUDY QUEBEC SEPARATION

Question No. 1,904—**Mr. Coates:**

1. Has the government established a special committee to study the effect upon Canada of the separation from Canada of the Province of Quebec and, if so (a) when will the interim report be available and will it be tabled in the House of Commons (b) when will the final report be available and will that report be made available?

2. What industries are under examination of this committee in order to form a basis for a suitably accurate measure of regional interdependence?

3. Have the studies of inter-regional labour mobility been completed as yet and, if not, when will they be completed and will this information be made available to the public?

4. Will an estimate in dollars be available as to the loss in revenue presently available to the Government of Quebec if separation occurs as well as an estimate in dollars as to the loss by the federal government in taxes presently available from the Province of Quebec?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): 1. No.

2, 3 and 4. Not applicable in view of the answer to part 1.

CONSIDERATION OF QUEBEC SECESSION

Question No. 1,915—**Mr. Robinson:**

1. Has the federal government received a copy of the Speech from the Throne delivered in February, 1969 in the National Assembly of Quebec from the Lieutenant Governor of Quebec or the Government of Quebec?

2. Has the federal government considered the possibility of Quebec seceding from Confederation?

3. Has the federal government considered (a) the economic (b) social (c) cultural (d) linguistic effect on separation from Canada of the Province of Quebec?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): 1. Yes.

2 and 3. No.

QUESTIONS PASSED AS ORDERS FOR RETURNS

LANGUAGE PROFICIENCY IN GOVERNMENT DEPARTMENTS

Question No. 811—**Mr. Caouette:**

1. In each of the government departments, who is responsible for collecting information on language proficiency of the staff and what position does each hold at the present time?

2. In each department who is responsible for recruiting personnel?

3. Is he (a) bilingual (b) does he speak only French (c) does he speak only English?

Return tabled.

DEPARTMENT OF INDUSTRY—LOAN PROGRAMS

Question No. 1,170—**Mr. Saltsman:**

1. How many loan programs are there in the Department of Industry in order to provide financial assistance to industry in Canada and what are annual absolute expenditures since the inception of these programs?

2. What are the objectives of these loan programs and their conditions of financing?

Return tabled.

GRANTS OR LOANS TO DOUGLAS AIRCRAFT

Question No. 1,251—**Mr. MacLean:**

1. Has the Department of Industry, the Department of National Defence, or any other department granted or loaned funds to Douglas Aircraft of Canada in any year over the past three years?

2. If so (a) what amounts (b) were they loans or grants (c) under what program (d) how did the company qualify, and (e) if a loan, what is the interest rate and repayment term?

3. What was the money loaned or granted to be used for?

Return tabled.

LEASES BY GOVERNMENT

Question No. 1,455—**Mr. Coates:**

1. How many leases does the federal government have with firms or individuals that are for a period of one year or more where the rental in question exceeds $50,000 annually?

2. In each instance, what is the name of the firm or individual, what is the term of the lease, where is the space located, what is the annual amount of the rental and on what date does the lease expire?

Return tabled.

EXPENDITURES ON HEALTH SCIENCES TEACHING FACILITIES

Question No. 1,469—**Mr. Orlikow:**

In each of the last ten years, what have been the federal expenditures on the planning, building, and equipping of health sciences teaching facilities from each of the following (a) Hospital Construction Grants (b) National Health Grants (c) General Public Health Grants (d) National Research Council (e) Medical Research Council (f) Health Resources Fund (g) and other?

Return tabled.

Canadian NATO Policy

MOTION TO ADJOURN UNDER S.O. 26

NATIONAL DEFENCE

REQUEST FOR CLARIFICATION OF CANADIAN POLICY—MOTION TO ADJOURN UNDER STANDING ORDER 26

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I ask leave, seconded by the hon. member for Peace River (Mr. Baldwin), to move the adjournment of the house under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely the urgent need for clarification of Canada's defence policy as a result of the statement on this subject made by the Prime Minister (Mr. Trudeau) while parliament was in recess.

Mr. Speaker: The hon. member for Malpeque has given the Chair the usual notices required by the standing orders. I have considered the proposed motion moved by the hon. member and the Chair would like to remind him of the provisions of Standing Order 26, and in particular subsection (5) thereof, to this effect:

• (2:40 p.m.)

In determining whether a matter should have urgent consideration, Mr. Speaker shall have regard . . . to the probability of the matter being brought before the house within reasonable time by other means.

After having given the matter some thought I have reached the conclusion that in my view there ought to be and probably will be within the next few days an opportunity for the house to consider the matter proposed to be raised by the hon. member for Malpeque.

[*Translation*]

It seems to me we have already had this afternoon a debate of a kind during which it was indicated that hon. members wish to have an early opportunity to discuss the matter.

It seems to me the request could be considered more favourably if the minister more directly concerned was in the house. Under those circumstances, I do not feel that it is advisable, under the standing orders, to put the motion proposed by the hon. member for Malpeque (Mr. MacLean) before the house.

[Mr. Orlikow.]

ORAL QUESTION PERIOD

[*English*]

NATIONAL DEFENCE

NATO—TIMING AND EXTENT OF CANADIAN TROOPS WITHDRAWAL—RELATIONSHIP BETWEEN FOREIGN AND DEFENCE POLICIES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a question to the Prime Minister? In view of his statement that the timing and extent of withdrawal of Canadian troops from Europe will be discussed at the meeting of the Defence Planning Committee of NATO in May, can he say whether he or a responsible minister will announce to the house the proposals of the government with respect to the timing and the extent of withdrawal of Canadian troops, as well as the proposal the government intends to make to this NATO committee before it meets in May, so that this house will have the opportunity to discuss something specific with regard to our foreign policy? I ask this question, Mr. Speaker, realizing of course that any statement the Prime Minister might make to the house as to the intentions of the government would be subject to negotiations with responsible NATO authorities.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I understand that the government house leader has been discussing or will be discussing this afternoon with house leaders of the other parties the question of setting aside two days for this subject to be debated as soon as the Secretary of State for External Affairs returns next week. If there is such agreement we will be discussing the declaration of principle we made on the Thursday before Easter. I refer to the decision in principle of remaining within NATO and reducing our forces for the European commitment to NATO in a planned way. The next stage is one we are working on now. We shall be very happy during the forthcoming debate to hear from hon. members of the opposition their views as to the way in which this reduction ought to be carried out.

Mr. Diefenbaker: Since when did the government listen to the opposition?

Mr. Stanfield: A supplementary question, Mr. Speaker. I have already expressed my views on this subject. Am I to take it from the Prime Minister's statement that it is not the intention of the government to tell the house before the May meeting the proposals it intends to lay before the NATO council?

Mr. Trudeau: I did not say that, Mr. Speaker.

Mr. Stanfield: A further supplementary question, Mr. Speaker. Will the Prime Minister tell the house what role in continental defence it is intended that Canadian troops withdrawn from Europe will take over?

Mr. Trudeau: Mr. Speaker, we have already declared that we will have a white paper on our foreign policy. When this white paper is ready we will lay it before the house. We feel of necessity that defence policy must flow from foreign policy, and not the contrary. That is why we want to have the white paper on our foreign policy debated by this house and submitted to the country before we make any final commitments with regard to any military or defence policy and before spelling out the exact implications of that foreign policy.

Mr. Stanfield: A further supplementary question, Mr. Speaker. How does the Prime Minister expect us to debate or discuss this policy if he is not prepared to give us some indication as to the role it is intended Canadian troops will play in continental defence after they are brought home?

Mr. Speaker: Order, please.

Mr. Trudeau: Mr. Speaker—

Mr. Speaker: Order, please. The question as asked was argumentative.

Mr. David Lewis (York South): Mr. Speaker, I have a related or supplementary question. I ask the Prime Minister to clarify to the house what appears to be, but may not be, a contradiction between his statement of April 3 and a statement he made in his address in Calgary last Saturday night. With your permission, Mr. Speaker, may I remind the right hon. gentleman of his statement of April 3? He said that the reduction of Canadian forces and the nature of that reduction would be discussed with our allies at the NATO defence meeting in May. In his speech in Calgary the right hon. gentleman stated, as he did today, that foreign policy should precede defence policy and that therefore no decision as to a reduction will be made until the white paper on foreign policy has been represented and debated in parliament.

In view of these apparently contradictory statements may I ask the right hon. gentleman whether it is the intention of the government to present a white paper on foreign and defence policy or on the foreign policy alone prior to May, or prior to the meeting of the defence ministers of NATO in May?

Mr. Trudeau: Mr. Speaker, what I said in Calgary and what I will repeat to this house is that we feel that in the past several years there has been a tendency for our foreign policy to be swallowed by our defence policy which, in turn, was swallowed by our NATO policy. We are trying to put this pyramid on its base and inform the country first of our foreign policy. This is our first step. After this foreign policy has been established within the new direction we are giving it, we will decide what defence policy ought to flow from that. Having decided what our defence policy will be in future years, we will decide what participation NATO will have in that defence policy. This is our way of proceeding.

There have been certain exaggerated efforts relating to the April meeting and the proposed meeting for May which have had the effect of trying to commit us in a final way to a NATO policy before our foreign policy review has been completed in a white paper and submitted to this house. We are resisting this development and making sure we are not once again committed to a NATO policy before our over-all foreign policy has been established.

Mr. Lewis: A further supplementary question, Mr. Speaker. That is precisely what I was trying to discover from the right hon. gentleman. I happen to agree with the statement he made in Calgary, and repeated in this house, that foreign policy ought to precede defence policy. Does that mean that the statement of April 3 to the effect that the reduction of Canadian forces will be discussed with and that a plan will be presented to the defence ministers of NATO in May with regard to reduction of forces is not valid, and that that will not happen?

Mr. Trudeau: No, Mr. Speaker. There are various ways in which we can proceed on the matter. We can submit to our friends in NATO different sets of proposals with regard to the reduction of forces and listen to their reactions to those proposals. We can use this input, if one may call it that, in the final stage of our defence and foreign policy. The final decision as to what will happen after January of next year will only be made when the ministers meet in August. That will give us another few months to review this subject. I hope by then that our foreign policy in the

form of a white paper will have been debated in this house.

Mr. Lewis: A final supplementary question, Mr. Speaker. Considering the Prime Minister's statement, can the house expect that a white paper on foreign policy will be presented to parliament before the summer recess in sufficient time for parliament to discuss it? Further, would the Prime Minister give a little consideration to the protest I made earlier, and rise tomorrow and table the statement which he made on April 3?

Mr. Trudeau: Regarding the final part, Mr. Speaker, I think the hon. member of the New Democratic Party raised a point of privilege which he knew perfectly well to be out of order in its form—

An hon. Member: Oh, come on!

Mr. Trudeau: —and he was accusing me of disregard for parliament when he himself was raising a point of privilege which he knew was out of order.

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. Is the hon. member for York South rising on a point of order or a question of privilege?

Mr. Lewis: I rise on a point of order. I do not think it is up to the Prime Minister any more than it is up to any other member of the house to impute motives to another hon. member. I was astonished at the failure of the Prime Minister to table the statement, and I was perfectly in order to raise the point of order.

[*Translation*]

Mr. Speaker: Does the hon. member for Abitibi wish to put a supplementary question?

Mr. Gérard Laprise (Abitibi): No, Mr. Speaker; it is really a related question.

[*English*]

Hon. J. A. Maclean (Malpeque): I wish to ask a supplementary question, Mr. Speaker. Arising from the Prime Minister's statement on defence policy, in which he said that the highest priority was the defence of Canadian sovereignty would he explain the difference, if any, between this and the policy stated in the 1964 paper, except that he used the phrase "protection of our sovereignty" rather than "protection of our territory"? Is there any special significance to this slight change in terminology?

[Mr. Trudeau.]

Mr. Trudeau: Mr. Speaker, I understand this is the kind of question we will be debating in the house when the days are allotted for debate.

Mr. MacLean: Mr. Speaker, I would like to direct a further quick supplementary question to the Prime Minister. Was the chairman of the committee on External Affairs and Defence revealing the outcome of phase II of the government study when he predicted that Canadian defence forces might be cut by 50 per cent?

Mr. Speaker: Order, please. I suggest to the hon. member that the question as asked is not in order.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, it is very difficult to get any answers with respect to this Janus faced policy, if it be a policy, but I would like to ask the Prime Minister whether the ministers representing the Canadian government in Washington had authority to suggest that in the phasing out only a token force of Canadian infantry would be left in Europe, and in so far as the air corps is concerned it would be restricted to reconnaissance and would have no nuclear attributes?

Mr. Trudeau: I do not believe any such statement was made by the ministers in Washington, Mr. Speaker.

Mr. Diefenbaker: That is not the question I asked. The Prime Minister seems to have a lot of difficulty understanding a simple question. Did the ministers, or any minister, have the authority to make that statement? That is how simple it is.

Mr. Speaker: The hon. member for Vancouver East.

Mr. Diefenbaker: Well, Mr. Speaker—

Mr. Speaker: Is the right hon. gentleman rising on a point of order?

Mr. Diefenbaker: On a question of privilege, Mr. Speaker, are we in this house to be treated like children by the government on a matter that concerns the survival of the country, with the government playing with the people of Canada, and no answers forthcoming from it?

Mr. Speaker: The hon. member for Vancouver East.

[*Later:*]

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a supplementary question to the Prime Minister with regard to his NATO statement, which amounts to a planned withdrawal of our NATO forces from Europe, presumably to take place at the end of 1969. Is it the Prime Minister's intention to pursue the course followed by France and maintain membership only in the political arm of NATO?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I just want to correct the question. We never talked about a planned withdrawal; we talked about a planned reduction.

Mr. Crouse: Could I now have an answer to my question? I thank the Prime Minister for his correction.

POST OFFICE DEPARTMENT

DIFFICULTIES ARISING FROM REVISED PAYMENT PROCEDURES

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I wish to address an important domestic question to the Postmaster General. What action is being taken by his department to correct the situation whereby many employees in Vancouver and other post offices are not receiving their proper cheques, with some reported to be behind in salary payments to the extent of hundreds of dollars? I ask this question in view of the impact of this situation on the morale of our post office employees.

Hon. Eric W. Kierans (Minister of Communications): As is known, Mr. Speaker, the government has recently changed its system of salary payments from twice a month to once every two weeks. This has occasioned some difficulty to some employees of the government, because though now they receive more cheques they find that each individual cheque is somewhat smaller in amount, and there have been some cases, mainly in Vancouver, where the cheques have been delayed. I can assure hon. members however that this is being looked after, and that it is of immediate concern to all of us.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wanted to direct a question to the Minister of National Defence but, as he has just left the house, I shall wait until he comes back.

[*English*]

FLOODS

REQUESTS FOR ASSISTANCE FROM PROVINCIAL AUTHORITIES

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is directed to the right hon. Prime Minister. In connection with the continuing flood threat in western Canada has the Prime Minister received any requests for assistance from the provincial authorities and, if so, what is the nature of the assistance provided by Ottawa?

Right Hon. P. E. Trudeau (Prime Minister): I know of no such requests, Mr. Speaker, but I will ask my office if any have been made.

OIL

CALGARY, ALTA—DISCUSSIONS ON CONTINENTAL POLICY

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I would like to welcome the Prime Minister back from sunny Alberta and trust he enjoyed his skiing on the slopes. I would like to put this question to him in reference to petroleum—

Mr. Douglas Stewart (Okanagan-Kootenay): On a point of clarification, Mr. Speaker, I would like to advise the hon. member that it was on the slopes of Okanagan-Kootenay, on the Bugaboos Mountain.

Mr. Woolliams: Well, Mr. Speaker, I do not want to get into an argument with my good friends from British Columbia, but I did understand that the Prime Minister did a little skiing on his way back in those places that count in Alberta, and I would like to put this question to him in reference to the petroleum industry.

Did the Prime Minister in Calgary meet privately with representatives of the petroleum industry to discuss the consequences of his talks with President Nixon or to receive formally the views of the representatives of the petroleum industry about a new national and North American continental oil and natural gas policy?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, I did meet privately with some of the representatives of the oil industry of western Canada, and we had general talks about the industry and its future.

Mr. Woolliams: In reference to the dialogue which he had with the President of the United

States in reference to Canadian oil markets, when can we expect a statement from the Prime Minister, preferably on motions, on Canada's position and what arrangements were made with the United States for a new policy to continue our markets?

Mr. Trudeau: I can only repeat what I said when I came back from Washington, that the President and I had agreed to have continuing meetings of officials on this subject. These meetings did take place on April 2 and then again on April 8. They have not reached any final decision on which we are in a position to answer. In due course I am sure the minister responsible, the Minister without Portfolio from Saskatchewan (Mr. Lang), will be making some statement on this matter.

Mr. Woolliams: As a supplementary question, is the Prime Minister prepared, on motions, to set out the Canadian position? There is nothing secretive about that. The house, the country, the petroleum industry and other industries would like to hear it.

Mr. P. M. Mahoney (Calgary South): Further to the comments the Prime Minister made in Calgary on Saturday evening, I would like to ask him if the discussions between officials of the Canadian and United States governments in Washington are not restricted to oil and gas policies, but are in fact covering the entire continental energy policy?

Mr. Trudeau: That is correct, Mr. Speaker. There have been other aspects of the energy field discussed at these meetings. Oil and gas were one, but uranium and coal were also discussed.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I just want to ask the Prime Minister whether the hon. member for Calgary South was revealing government policy when he said on Saturday that while the oil policy had not been revealed in Calgary it could be expected to be revealed by the Prime Minister when in the Maritimes?

Some hon. Members: Oh, oh.

NATIONAL DEFENCE

A.B.M. SYSTEM—REQUEST FOR FULL EXAMINATION BEFORE COMMITMENT

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Prime Minister. Would he consider repeating the assurance given by the government which preceded his, that Canada would not become involved in participation in the deployment of an anti-ballistic missile system without the fullest opportunity for examination and discussion of the matter being given in this house and its committees?

Right Hon. P. E. Trudeau (Prime Minister): Yes, of course, Mr. Speaker. I would expect this question would be discussed in the house when we have our debate on foreign policy.

PUBLIC ACCOUNTS

REQUEST THAT REPORT OF AUDITOR GENERAL BE REFERRED TO COMMITTEE

Mr. G. W. Baldwin (Peace River): Could the minister indicate now, in answer to the question I asked on April 2, whether the government would consider referring to the Public Accounts Committee the 1968 report of the Auditor General so that members of that committee could continue their fascinating and engrossing study which they launched recently?

Hon. Donald S. Macdonald (President of the Privy Council): I would be glad to consider this and discuss it later this day.

TRANSPORT AND COMMUNICATIONS

REPORTS OF AIR CANADA AND C.N.R. TO STANDING COMMITTEE

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I should like to ask the house leader whether he intends to proceed by way of notice of motion to refer the reports of Air Canada and Canadian National Railways to the Standing Committee on Transport and Communications?

Hon. Donald S. Macdonald (President of the Privy Council): It was not my intention to do so. As the hon. member will recall, we sought to have them referred by consent of the house but consent was refused. With the legislative timetable we have I do not see how we could set aside a day for that purpose.

CANADIAN CULTURE

TRANSFER OF PROGRAMS TO QUEBEC GOVERNMENT

Mr. Warren Allmand (Notre-Dame-de Grâce): Mr. Speaker, I should like to direct a question to the Secretary of State. Will he tell the house whether he has agreed to a meeting with the Quebec minister of cultural affairs

on April 20 to discuss the transfer of federal cultural programs to the provincial government?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I agreed to meet the Quebec Minister of Cultural Affairs, at his request. Afterwards, he sent me a letter to make it clear which subjects he wanted to discuss and there was not the slightest mention made of the transfer of the funds for the cultural activities of the federal government.

[*English*]

Mr. Allmand: Could the minister tell us what is on the agenda for that meeting with the Quebec minister?

[*Translation*]

Mr. Pelletier: As we have not agreed on any agenda, I am only able to reveal the suggestions made to me by the Minister of Cultural Affairs of Quebec, in a letter of a confidential nature. And as we did not have the opportunity to discuss the matter together, I could not reveal its contents.

[*English*]

INQUIRY OF THE MINISTRY

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a question for the Minister of National Revenue. In view of the critical cash shortage among prairie grain growers, would the minister consider allowing them to pay their income tax with surplus grain?

NATIONAL DEFENCE

REPLACEMENT OF U.S. BY CANADIAN ARMED FORCES

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Prime Minister. Could the Prime Minister tell the house where the United States armed forces are now located which are to be replaced by Canadian armed forces? I refer of course to the Prime Minister's reply to questions by members of the press on April 3 last.

EXTERNAL AFFAIRS

IDENTIFICATION OF CITIZENS FOR PASSPORT PURPOSES

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to address my question to the Secretary of State. Has his attention been drawn to the widespread confusion and discontent over the new regulations concerning proof of Canadian citizenship for passport purposes? If so, is he considering changes in those regulations?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, it is true that I have received representations during a trip in the West, about the procedures now applicable to the insuance of a passport to a Canadian citizen. However, the issuance of passports is not the responsibility of my department, but rather that of the Department of External Affairs, and it is up to that department to decide the kind of proof of identity it may demand before issuing a passport to a Canadian citizen.

[*English*]

Mr. Saltsman: Has the Secretary of State not examined the regulations concerning proof of Canadian citizenship, which I believe originated in his department?

Mr. Speaker: Order.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I wonder whether the minister and his colleague the Secretary of State for External Affairs could streamline their procedure in order to eliminate the great delay brought about because of the delays in the postal service, which make handling of passports almost impossible? Most members spent their Easter holidays as passport expediters.

Mr. Speaker: Order, please.

DOMINION-PROVINCIAL RELATIONS

REQUEST BY NEW BRUNSWICK FOR CONFERENCE ON FINANCE

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Prime Minister concerning the communication from Premier Robichaud before Easter with regard to the dire financial situation in New Brunswick, and any further communications. Would the Prime Minister state the nature of his reply to any correspondence, telephone inquiries of other communications from the Premier of New Brunswick? Does the Prime Minister realize that by his silence he is destroying whatever credibility there is left in the statement by Premier Robichaud? The Prime Minister is the fourth person to call him a liar by remaining silent.

Inquiries of the Ministry

VETERANS AFFAIRS

WOODS REPORT—REQUEST FOR CONSIDERATION BY STANDING COMMITTEE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Veterans Affairs. In view of the desire on the part of veterans organizations to appear before the Standing Committee on Veterans Affairs to present their views with regard to the Woods report, can the minister say whether the government has yet prepared its white paper on the Woods report, so that the work of this committee may proceed?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): No, Mr. Speaker, the white paper is not yet completed. I hope it will be completed as soon as possible. The white paper, along with the Woods committee report will be referred to the proper standing committee. I trust that the interested veterans organizations will be invited to appear.

Mr. Knowles (Winnipeg North Centre): May we hope that this can be done during the month of April?

Mr. Dubé: I do not know, Mr. Speaker.

CONSUMER AFFAIRS

INQUIRY AS TO SETTING UP OF PRICES AND INCOMES COMMISSION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Consumer and Corporate Affairs, in his capacity as a great fighter against inflation, the following question. I do so because of the recent substantial rise in the cost of living index and in view of the fact that the study group—

Mr. Speaker: Order, please. Would the hon. gentleman ask his question?

Mr. Stanfield: Following six months of study I should like to ask when we may expect the appointment of the study group which was forecast in September and promised for the month of March?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I appreciate that the Leader of the Opposition recognizes my true place in this government. I also welcome the hon. gentleman's support for the policy I announced in September. I am sure he will agree that I should seek out the best possible men available for appointments to the prices and incomes commission, which is what I am doing. Unfortunately those people, being able, are busy and have difficulty disentangling themselves from present commitments. I expect to make an announcement in this regard very shortly.

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to ask a related question. Can the minister in his usual succinct manner report on the federal-provincial conference on consumer affairs last week, and while he is on his feet will he indicate whether or not the subject of a federal securities commission was discussed at that conference?

Mr. Basford: Mr. Speaker, the answer to the last part of the question is no; it was not the proper kind of conference at which to discuss that subject. In answer to the first part of the question I should like to report that we had a very successful two day federal-provincial conference at which all provinces were represented. The conference issued a communique. If the hon. member would like me to do so I will table it, though it was distributed to members. At the conference we discussed a number of matters including consumer credit, packaging and labelling, misleading advertising, hazardous products, etc. I think the real significance of the conference is that it was the first conference of consumer affairs ministers or those ministers responsible for this subject. A new degree of co-operation and good will now exists among federal and provincial ministers.

Mr. McGrath: Mr. Speaker, when may the house expect some federal initiative in respect of a federal securities commission in view of the fact that without such a commission some provinces are left in a rather ambiguous position?

Mr. Basford: I am sorry I did not catch the last part of the question. Let me answer by saying we have been studying this matter very carefully. My officials have been meeting with certain provincial officials and we are in the course of drafting the federal position on this matter. I expect some initiative to be taken very shortly.

INDUSTRY

DEVCO—COMPULSORY RETIREMENT OF MINERS

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question

for the Prime Minister. He indicated on April 1 that he would consider the matter and give an answer as quickly as possible. I asked him then whether the government endorsed the compulsory retirement at age 60 of Devco employees.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe I said at that time that this question should be referred to the appropriate minister.

Mr. MacInnis: I rise on a point of order, Mr. Speaker. The question was put to the Prime Minister and as he has indicated he referred it to the appropriate minister. That minister was not here on the previous day, March 31, when he was supposed to be in the house. He was supposed to be here the following day when I asked this question. This plan is supposed to be put into effect on April 25, so the element of time is involved. Surely the Prime Minister as the head of the government must be aware of the attitude and the policy of the government in respect of the early retirement at age 60 of Crown corporation employees. As leader of the government surely he can give an answer without the assistance of the absent minister.

HEALTH AND WELFARE

MEDICARE—PROVINCIAL USE OF FEDERAL FUNDS

Mr. Harold Winch (Vancouver East): Mr. Speaker, I intended to address my question to the Minister of National Health and Welfare who, according to the attendance roster, is supposed to be here today. In his absence perhaps I might address it to whoever is acting on his behalf. Is an investigation under way by the department in respect of the use by provinces of federal funds for medicare for general purposes? If so, is it contemplated by the minister or the government that legislation will be introduced to guarantee that federal assistance for medicare will be passed on to the general public through reduced provincial premiums?

[*Translation*]

Mr. Rosaire Gendron (Parliamentary Secretary to the Minister of National Health and Welfare): Mr. Speaker, I will take that question as notice and refer it to the minister.

[*English*]

Mr. MacInnis: Mr. Speaker, I have a supplementary question.

Mr. Speaker: Order, please. Perhaps I will have time to accommodate the hon. member, but the question period is almost concluded, there being just four minutes left. There are four or five other hon. members around the hon. member for Cape Breton-East Richmond who want to ask questions. Perhaps the hon. member might refer to this question again tomorrow.

THE MINISTRY

REPLACEMENT DURING ABSENCE OF MINISTER OF INDUSTRY, TRADE AND COMMERCE

Mr. A. D. Hales (Wellington): Mr. Speaker, in view of the fact the Minister of Industry, Trade and Commerce is in Japan, and I understand will be away for two or three weeks, I should like to ask the Prime Minister who will be the acting minister of that department so we will know which minister will answer our questions?

Right Hon. P. E. Trudeau (Prime Minister): The acting minister is the Minister without Portfolio from Saskatchewan, Mr. Speaker.

NORTHERN AFFAIRS

WHITEHORSE—MINISTERIAL STATEMENT ON SELF-GOVERNMENT

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to ask the Prime Minister whether the Minister of Indian Affairs and Northern Development was stating government policy when he said recently in Whitehorse that there was no case at the present time for establishing a greater degree of self-government in the north?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if "at the present time" is interpreted in the strict sense he was stating government policy.

Mr. Simpson: Was the Minister of Indian Affairs and Northern Development stating government policy when he also stated in Whitehorse that the conflict between public and private power should be resolved in Canada in favour of public ownership? On a point of order, Mr. Speaker, it has occurred to me that the Prime Minister did not hear the question correctly, as he appeared to want to answer.

Mr. Speaker: That was not my impression.

Inquiries of the Ministry

EXTERNAL AFFAIRS

CANADA AS SITE FOR SUMMIT MEETING

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I should like to ask the Prime Minister whether he can indicate that during his discussions with President Nixon he raised the possibility of Canada providing the site for a summit meeting of the two great powers, and whether or not such a possibility was discussed between the Secretary of State for External Affairs and himself?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the question was not discussed with President Nixon but I will ask the Secretary of State for External Affairs to take note of it.

CANADIAN BROADCASTING CORPORATION

TERMINATION OF PROGRAM "DON MESSER'S JUBILEE"

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I should like to ask the Secretary of State whether he will use his good offices to prevent the pending demise of the Don Messer show now enjoyed by millions on national television? As a supplementary, perhaps I might suggest that this matter could be debated at ten o'clock.

WATER RESOURCES

POLLUTION IN ATLANTIC COASTAL REGION

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I should like to ask the Minister of Fisheries or his Parliamentary Secretary to indicate the results of a recent investigation in respect of water pollution in the Atlantic coastal region and its adverse effect in the general coastal area, and particularly on Atlantic sealers?

Mr. Speaker: Order, please. I believe the hon. member is asking for a very general statement which normally should be made during motions.

Mr. Lundrigan: May I ask whoever the hon. gentleman may be when we may expect a statement in respect of this investigation into a matter which is causing considerable concern?

Mr. E. F. Whelan (Parliamentary Secretary to the Minister of Fisheries and Forestry): As soon as the investigation is completed, Mr. Speaker.

[Mr. Speaker.]

HOUSING

PROPOSED MINISTERIAL VISIT TO URBAN RENEWAL PROJECTS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Prime Minister. Can I rely on the roster system and hope that the Minister of Transport, who is responsible for housing, will be here tomorrow? Also, while the Prime Minister is on his feet will he advise the house whether the minister in fact made the junket he was supposed to make in the week after Easter with regard to urban renewal? I ask this question because it would appear that the Minister of Transport is sort of evading the member for Hamilton West.

TELEVISION

EDMONTON—REQUEST FOR ANSWER TO META PROPOSAL

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I have a question for the Secretary of State. In view of the minister's statement in Edmonton that the Canadian Broadcasting Corporation will soon be ready to make a decision on a French language television station in Edmonton, would the minister please indicate when he will make a decision on a more urgent problem, namely, the request by META?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, first of all, I must say that the words credited to me are not mine. I merely said that I would make every effort to convince the C.B.C. of the urgency of developing its French television services in western Canada.

With regard to the organization mentioned by the hon. member and which is engaged in educational television, it is already having relations and discussions with the task force created within the Secretary of State, and its requests are being carefully considered. Furthermore, I think that the people responsible for META are satisfied with the results up to now.

[*English*]

Mr. Speaker: There are only about 30 seconds left before the end of the question period, so I will recognize the right hon. member for Prince Albert.

FLOODS

REQUEST FOR ACTION TO MEET CONDITIONS IN SOUTHWESTERN SASKATCHEWAN

Right Hon. J. G. Diefenbaker (Prince Albert): This is a very urgent question, Mr. Speaker. I do not know who is the Acting Minister of Agriculture, so without that knowledge I direct my question to the Prime Minister. It has to do with the very serious floods which have occurred in southwestern Saskatchewan. I see the Prime Minister motioning to one of his cabinet members and therefore I now have the designation. I ask the Minister of Manpower and Immigration, who I gather is Acting Minister of Agriculture in view of his designation by the Prime Minister, what action is being taken to meet the very serious flood conditions in southwestern Saskatchewan? According to the old-timers they are the worst in history. Further, are the facilities of P.F.R.A. being made available to municipalities and to the province of Saskatchewan in order to keep to a minimum the damage that would otherwise take place?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, in this short-lived moment as Minister of Agriculture I would like to take the question as notice.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: You were just designated by the Prime Minister.

BUSINESS OF THE HOUSE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the President of the Privy Council as house leader. Now that members of the house have returned from the recess, could he reveal to hon. members what the business of the house will be for the rest of this week so that they can get themselves in a proper state of preparation and of grace also?

Hon. Donald S. Macdonald (President of the Privy Council): Yes, Mr. Speaker. The first item for today would be No. 63, the bill to establish the Export Development Corporation. This would be followed, we would hope later today, by item No. 64, the bill to establish a Canadian corporation for telecommunication by satellite. Tomorrow, after those two items have been completed, we would call item No. 66, second reading of Bill S-29, respecting the production and conservation of oil and gas in the Yukon Territory and the Northwest Territories. That would be followed by item No. 65, second reading of Bill S-23, to amend the Canada Shipping Act.

There will be a meeting of house leaders this afternoon at which time we will discuss the possibility of also dealing tomorrow with item No. 17, the report stage of Bill C-153, to amend the Historic Sites and Monuments Act. On Wednesday in any event we would call the report stage of Bill C-150, the omnibus Criminal Code bill. It would be our intention to remain on it for the balance of the week until its conclusion.

We will also be discussing with the house leaders the possibility of arranging a special debate, very likely on Wednesday and Thursday of next week, when the Secretary of State for External Affairs has returned, for the purpose of discussing the statements with regard to NATO. I will be making a further announcement in that regard.

GOVERNMENT ORDERS

EXPORT DEVELOPMENT CORPORATION

MEASURE TO PROVIDE INSURANCE, GUARANTEES AND LOANS TO DEVELOP TRADE

Hon. Otto E. Lang (for the Minister of Industry, Trade and Commerce) moved that Bill C-183, to establish the Export Development Corporation and to facilitate and develop export trade by the provision of insurance, guarantees, loans and other financial facilities, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, the bill before us today to establish an Export Development Corporation in succession to the Export Credits Insurance Corporation, which my colleague the Minister of Industry, Trade and Commerce (Mr. Pepin) presented to the house for first reading a few weeks ago, concerns improvement and expansion of certain specialized services to facilitate and encourage export and related international activities of Canadian business.

During the recent debate on the restructuring of the federal administration it was emphasized to hon. members in connection with the proposal to bring together the Department of Industry and the Department of

Trade and Commerce that there is an essential relationship between industrial development and export promotion, and that this relationship would be the basic principle of the new, merged department's organization. Establishment of an Export Development Corporation is not directly related to the merger of the trade and industry departments but it is motivated by the same basic objective, namely, to ensure that the government's administrative structures reflect current and anticipated needs and problems. Any self-respecting institution periodically brings itself up to date and infuses new blood into its administration.

As was also brought out in the discussion of the administrative reorganization proposal, the government regards sustained and improved export performance as a basic element in maintaining and developing the sound growth in the Canadian economy which in turn is necessary if we are to have the capacity to develop our social programs, provincial or federal, to upgrade our educational, medical, welfare and cultural standards, to afford the investment required to narrow our regional disparities. Merger of the trade and industry departments and the strengthening and expanding of their combined services are intended to contribute to the attainment of our national goals; so too in the specialized area of export credit and related activity is the establishment of the Export Development Corporation.

In addition to the customary support to our balance of payments and level of economic activity generally, exports are an essential key to our industrial development policies, providing as they do outlets beyond our limited domestic market. This broader market is necessary to permit specialization and economics of scale which in turn are necessary if, under conditions of freer trade, Canadian capital equipment and other manufacturing industries are to be able to compete effectively against imports in the domestic market. Since exports must meet the test of being internationally competitive, the odds are high that industries which are successful in export markets are efficient and have potential for future growth.

In the interest, then, of optimum growth of the economy and of employment opportunities, stimulation of exports, particularly of manufactured goods, should have high priority at this stage of our economic development. Giving a high priority to exports means that adequate and competitive financing facilities should be available and their use encouraged.

Unfortunately, limitations on the availability of financing to back export production and sales and the high cost of such financing have emerged as factors inhibiting the securing of optimum export performance from the Canadian economy.

While these difficulties have had to be viewed against the background of the abnormal credit conditions which have prevailed recently, a study commissioned by the Department of Trade and Commerce revealed clear evidence of an underlying problem and suggested that the facilities available to support the export and other international activities of Canadian companies were less flexible and adequate than those in other countries. Accordingly, in light of the importance of improved export performance to the Canadian economy on the one hand and the increased use of credit in international trade and intensification of foreign competition on the other, we concluded that new and expanded facilities were required to ensure that on as economical a basis as possible, consistent with the over-all needs of the economy and resources available, Canadian firms were backed by adequate and competitive financing facilities.

The Export Development Corporation will be the focal point for the government's interest in the financing of exports and in the insurance of private investments abroad. In succession to the export Credits Insurance Corporation, it will administer new and expanded facilities for export credits, export credits insurance and guarantees, and will encourage and facilitate the provision of private financing for export. It will be charged with responsibility for the insurance of private Canadian investment in developing countries. This entirely new facility is being added in the belief that such investment can make a meaningful contribution to our international development effort and at the same time improve the competitive position of Canadian firms in world markets, and should therefore be facilitated.

• (3:30 p.m.)

Rather than once again amending the Export Credits Insurance Act to provide these new and expanded facilities, it was considered preferable to draft a new statute which would conform to the current legislative practice and provide a valid framework for the future. The name, Export Development Corporation, was chosen as being descriptive of the basic purpose of the new entity and the broad range of functions to be

carried out by it. However, the Export Development Corporation will assume E.C.I.C.'s existing functions, assets and liabilities, and the bill before the house retains many features of the Export Credits Insurance Act. Provision is made for operations on a more comprehensive scale geared to anticipated growth of trade, and a number of technical changes will simplify administrative procedures and will make the new corporation more responsive to exporters' needs and to competitive situations.

At the same time, as hon. members well know, the government has many other claims to satisfy in respect of high priority programs, and bearing in mind the inflationary pressures which are of concern to all of us we have had to keep within reasonable limits the actual and contingent liability to the government arising out of the proposed legislation. Accordingly, in establishing legislative ceilings requirements have been projected over a relatively short period and can be reviewed in the years ahead. It is accepted that operation of the new corporation's facilities will be subject to regular budgetary planning and review and will be co-ordinated with other government programs.

Perhaps I might now turn to the bill itself and review briefly its salient features. The bill is in three parts: Establishment and organization, operations, and transitional and repeal. It should be noted that only Part I of the Export Credits Insurance Act is to be repealed. A number of government to government reconstruction loans made in the immediate post-world war II period under part II of the Export Credits Insurance Act remain outstanding. Although the authority to grant such loans was temporary, part II remains in force, and the Export Development Corporation may act as agent for the Minister of Finance (Mr. Benson) in connection with outstanding loans.

General direction of the affairs of the corporation is to be vested in a board of directors which, in addition to senior officials, will include representatives of the private export and financial communities. It is considered that the direct infusion in management of business knowledge and experience will greatly enhance co-ordination of effort in export development between the public and private sectors. Delegation of authority and the creation of an executive committee of the board and provision for alternate directors will facilitate the prompt and efficient dispatch of business.

The legal and corporate status of the Export Development Corporation will be similar to that of E.C.I.C. In addition, however, it is proposed that it be empowered to acquire, hold and dispose of real and personal property in connection with credits, insurance and guarantees provided by it or as required in its operations.

It is proposed that the corporation be empowered to employ such officers, employees and agents as may be necessary and to fix the terms and conditions of their employment. Notwithstanding, it will be expected to make full use of the expertise and resources available in other departments and agencies of government, and the bill contains a facilitating clause to that end.

To provide for the anticipated larger volume of business and the assumption of new functions, it is proposed that the authorized capital of the new corporation be established at $25 million, all of it to be subscribed, with an equivalent amount as capital surplus. This compares with $15 million plus capital surplus of $5 million for E.C.I.C., it being understood that the capital would be paid in only as required. The corporation would assume all assets and liabilities of E.C.I.C. The paid-up capital of $5 million and capital surplus of $5 million would become paid-in capital and capital surplus of the new corporation. The corporation will thus begin operations with the same capital as E.C.I.C., but capital could be added as required up to a limit of $50 million.

The corporation will meet most of its requirements for funds by borrowing, and it is proposed that the ceiling for this authority be set at 15 times the aggregate of the subscribed capital and capital surplus of the corporation. Initially, this would provide for borrowing of up to $450 million. The eventual limit, when the authorized and subscribed capital is all paid in and matched by equivalent contributions of capital surplus, would be $750 million. This compares with the E.C.I.C. statutory ceiling on borrowing of five times the aggregate of paid-up capital and surplus, or $100 million. The increased borrowing authority is due largely to the decision to have the corporation assume responsibility as principal for the bulk of long-term export financing now being provided as a direct charge on the consolidated revenue fund.

I should emphasize at this point that we have endeavoured, both in the legislation and in the complementary administrative action proposed to accompany it, to rationalize the whole range of financial relationships

between the consolidated revenue fund and the Export Development Corporation. The new procedures will facilitate sound and businesslike financial planning by government and, it is anticipated, will provide administrative savings and improved service to exporters.

Export credits insurance and guarantee powers of the new corporation to facilitate the provision of private financing for export are similar to those of E.C.I.C. but have been broadened and made more flexible, and capacities have been increased to accommodate anticipated expansion in export business.

It is proposed that the limit of outstanding liabilities under contracts of insurance and guarantees for account of the corporation be set at ten times the aggregate of subscribed capital and capital surplus as in section 14 of the Export Credits Insurance Act. Under the capital structure proposed for the new corporation, this ratio would provide for a liability ceiling of $300 million immediately, compared with E.C.I.C.'s limit of $200 million, and ultimately up to $500 million.

In addition, provision would be made, similar to section 21 of the Export Credits Act, for contracts of insurance and guarantees to be entered into at government risk, outside the corporation's liability limit, when these are deemed by the minister responsible to be in the national interest and are approved by the Governor in Council. It is proposed that the limit of outstanding liabilities at government risk be reduced to $500 million from the $600 million specified in the present act since under the new act resources will be to the corporation available to a greater extent enabling it to undertake more business on its own account.

It is proposed that the corporation's powers to enter into contracts of credit insurance and guarantees be made broad and flexible and generally that they provide for coverage of any sound and attractive undertaking which appears to the board of directors or, in the case of operations carried out at government risk, to the Governor in Council to be conducive to the development of trade between Canada and other countries. The generalized authority means in practical terms that eligibility for assistance will be significantly extended under the present act. In particular, coverage of services and other invisible exports, which we expect to be an area of dynamic growth, is much extended. Leasing of goods for use abroad and the sale or licensing of patents, trade marks and copyright will now be eligible. Export transactions involving barter will also now be eligible. The insured need not be a person carrying on business and need not be the exporter so long as he is the one entitled to receive payment. This and related provisions will make insurance cover available for confirming house, factoring or similar business, not yet common in Canada but well developed in some other countries, and other complicated payment situations in addition to direct transactions between exporter and buyer abroad.

[Mr. Lang.]

• (3:40 p.m.)

As under the Export Credits Insurance Act, guarantees will be available to encourage the financing of export credit without recourse to the exporter. However, such guarantees will no longer be restricted by law to transactions on medium term credit and will be available for institutions other than Canadian chartered banks. Guarantees will also be issuable in connection with the financing of uninsured transactions provided such transactions are insurable.

The changes, it is expected, will permit, for example:

1. Extension of lines of credit to foreign borrowers to finance purchase of goods and services in Canada—so-called buyers' credits which are being increasingly used in international trade;

2. Consolidation and rescheduling of debts owed to Canadian exporters as an alternative to the Corporation having to honour claims by exporters when the importers' country is in balance of payments difficulties;

3. Financing of a reasonable portion of local costs of projects where this is necessary to the winning of contracts by Canadian exporters.

It is the intention to place the conduct of the export credits insurance and guarantees functions under extensive and continuing review to ensure that they remain responsive to changing circumstances and the needs of the export community. An active program will be undertaken immediately to simplify administrative procedures and to familiarize exporters and financial institutions with the services and facilities available. In this connection, a systematic and continuing program of liaison and co-operation with Canadian financial institutions is also to be undertaken. My colleagues, the Minister of Finance (Mr. Benson) and the Minister of Industry, Trade and Commerce (Mr. Pepin), together with the

Governor of the Bank of Canada, the President of E.C.I.C. and other senior officials, have already met with representatives of the chartered banks to discuss the new legislation and the important role of the banks in connection with the whole range of financing and marketing activities associated with export development. We mean this to be a continuing and meaningful dialogue in the interest of achieving the closest possible co-ordination of effort.

To ensure that Canadian exporters of high-priority capital goods and services are not inhibited from pursuing major sales opportunities abroad requiring long term or, exceptionally, medium term financing, provision is made for acceptance of liability under direct loans to foreign buyers of up to $800 million. Such lending has been carried out since 1961 under the authority of Section 21A of the existing act. Signed loan agreements net of repayment presently stand in the neighbourhood of $325 million but outstanding commitments would, if taken up, bring the total current liability to well over $600 million. Of course not all will be taken up. A ceiling of $800 million would, it is anticipated, be sufficient to cover prospective business for some years to come.

Within the over-all ceiling, two authorities are to be established: for lending by the corporation for its own account on approval by the board of directors to a limit on outstanding liabilities to $600 million, and for lending for the account of the government to a limit of $200 million. The carrying out by the corporation of a major portion of new export lending as principal rather than as agent for the government on approval by the Governor in Council as at present will, together with new simplified funding and administrative procedures, facilitate meeting exporters' needs and competitive situations. The latter facility would be for very large export transactions such as the sale of nuclear power plants or to meet other special situations considered by the government to be in the national interest but which are of a term or in an amount excessive for the corporation. Long term and, exceptionally, medium term financing of major export transactions will in future be carried out as far as risk taking is concerned in a similar manner to export credits insurance operations.

In medium and long term financing, the corporation will have extended powers to make loans and to issue guarantees to private lenders in connection with major export transactions. Security requirements for loans are to be made more flexible. The corporation will also be empowered to provide lines of credit to national development banks and similar financial institutions abroad to finance purchase of Canadian goods and services, to cover a proportion of local costs of projects abroad and to finance services supplied from Canada even when these are not directly associated with equipment supply. Financial institutions in Canada and abroad will be encouraged to participate with the corporation in its lending and guarantee operations. Interest and other charges by the corporation will generally reflect the cost of money to it, bearing in mind, however, the need to meet competition in particular cases, and will provide for the operating expenses of the medium and long term financing facility.

Under clause 33 of the bill the corporation would be empowered, when authorized by the Minister of Finance, to buy, sell, and lend on the security of, negotiable export paper. E.C.I.C. had this power in connection with operations under Section 21A when authorized by the Governor in Council. The new authority is broader and applies also to export paper in respect of transactions insured by the corporation. Rediscount of export paper in the hands of the banks is not presently contemplated.

Finally, an entirely new facility is to be established to insure Canadian investments in developing countries against loss due to war, insurrection or revolution, expropriation or confiscation and inability to transfer earnings or capital. These are standard risks covered under investment insurance schemes of other countries. Insolvency or other commercial risk would not be covered. Coverage would be limited to new investments, including reinvested earnings, and would have to hold promise of some specific economic advantage to Canada, such as increased exports, or contribute to the economic development of the host country.

The plan is essentially bilateral; that is, the Canadian government will expect certain assurances from the host country before authorizing the corporation to issue an insurance policy on an investment in that country. We have not ruled out participation by Canada in a multilateral investment scheme such as that which has been discussed periodically under World Bank auspices during talks in which Canada has participated. We have kept open the option to consider integration of a Canadian investment insurance policy with a

viable international plan should such a plan be developed.

Total liability under contracts of investment insurance is limited under the bill to $50 million and it will be apparent from this that individual investments covered will likely be relatively modest. We intend to feel our way slowly and prudently into this new field.

Canadian firms by investing abroad may be able to preserve or expand their export markets, as well as to derive a return on their investment in terms of foreign income or capital appreciation. Changes in the terms of access to foreign markets, in patterns of production and consumption, and in tariffs and freight, may change the balance of considerations between serving a market from Canada and establishing a plant in a foreign country. Furthermore, in some cases an equity investment is a pre-condition to the sale of capital goods and related services. More broadly, investment abroad by a firm or industry could have the effect of increasing its competitiveness and by bringing it closer to the market allow it to react more positively to needs and opportunities. In addition, a full development of Canadian ideas and skills may require increased foreign investment by Canadians and greater use of such techniques as management agreements, licensing arrangements and sale of patent rights.

• (3:50 p.m.)

Foreign investment will stimulate the flow of private capital to developing countries. In doing so, it will enhance the effectiveness of the official aid program by providing capital linked to the technical and managerial know-how which are essential conditions to economic progress in developing countries and which cannot always be easily associated with official aid.

Briefly summarized then, the salient features of the program, of which this bill is the central element, are as follows: First, continuity in availability of adequate official support for export financing, consistent with other high priority claims on the government's resources.

Second, incorporation of the Export Development Corporation as successor to the Export Credits Insurance Corporation, to be the focal point for the government's interest in export credits, credit insurance and guarantees and in insurance of foreign investments.

[Mr. Lang.]

Third, co-ordination of export financing with other government programs, including industrial and trade development and assistance to developing countries, and periodic budgetary review.

Fourth, corporate status similar to former E.C.I.C. but administration to be strengthened, capitalization increased and more authority for day to day operations to be delegated to a board of directors and senior management. The board will include directors appointed from outside the public service, facilitating co-operation between public and private sectors in export development.

Fifth, facilities for export credits insurance and guarantees and for direct export financing to be broadened and made more flexible and capacities to be increased to accommodate expansion in export business. Operation of these facilities to be made more responsive to exporters' requirements and to international competitive situations.

Sixth, direct export financing of routine transactions eligible for this form of assistance to be carried out by the Export Development Corporation as principal instead of being for account of the government, requiring cabinet approval in each instance, as in the case of the Export Credits Insurance Corporation.

Seventh, the Export Development Corporation is to be empowered to buy, sell, and make advances on the security of export paper, but rediscount of paper held by banks not contemplated for the present.

Eighth, a systematic and continuing program of liaison and co-operation with Canadian financial institutions to be developed and steps taken to ensure wider familiarity with, and use of, the Export Development Corporation's services and facilities by both financial institutions and the export community.

Ninth, insurance of investments in developing countries to be offered to encourage participation by Canadian companies in business opportunities abroad where this will advance Canada's economic interests, especially, exports, and/or contribute to the recipient country's economic development.

We consider this bill an important step forward in adjusting our administrative structure to changing needs, and I commend it to the house. It is not, of course, the last step. As in the past, so in the future we will continue to have to keep the export environment under surveillance and be able to respond quickly and effectively as circumstances dictate.

Mr. A. D. Hales (Wellington): Mr. Speaker, I appreciate the opportunity of making a few brief remarks before Bill C-183 is referred to committee for study of the provisions setting up an Export Development Corporation. The house appreciates the explanation that the minister has read into the record outlining the proposals in regard to this new corporation. I would have much preferred, as I am sure would other members of the house, if the minister had forgotten many of the flowery phrases and platitudes that he used and got to the nuts and bolts issues by giving the house some concrete examples of how the provisions of this new act are going to operate. For example, the minister could have mentioned the hydro-electric plant for the government of Ceylon, how it was financed, who the exporter was, the date of the contract, the amount of the contract, how the contract operates, what the government does, how the plant is covered in transit by insurance, how it is insured against non-payment and so on. He could have given the house one or two such examples in layman's language that all of us might have been able to follow a little better.

I should like to ask the minister why it was necessary to bring in this bill when the Export Credits Insurance Act has done a remarkably good job. I would not want to see the Export Credits Insurance Corporation passed over without paying tribute to it for the wonderful work it has done in providing export credit insurance and the help it has given many Canadian companies. Its profit and loss statements and its record of performance have been nothing but the best. Therefore I am at a loss to know why we need a new, fancy-named act. Why not amend the Export Credits Insurance Act by making the few changes to which the minister has referred? The changes are so few that I do not see the necessity for introducing a new act to be known as the Export Development Act. It seems to me that this government is prone to change for the sake of change. I do not think the minister has presented any really good argument for not amending the existing act. However, the government has seen fit to scrap the old act and to bring in a new one, and the bill is now before the house for a vote on whether it should be sent to committee for further study.

Since the bill is going to committee my remarks will be brief. Members of the committee will have the opportunity to ask many questions. I hope the minister will be present at all times in the committee or, if not the minister, his assistant, and also the officials of the Export Credits Insurance Corporation so that all questions members may wish to ask in regard to the proposed new Export Development Corporation may be answered fully and completely.

I do not think I need take the time of the house to deal with the necessity for legislation in this field. This subject was dealt with fully when the house set up the Export Credits Insurance Corporation. We all know the great value of exports to our country; indeed, they are vital. There are 21 million people in Canada with the ability to produce four or five times the production we require, whether of primary or secondary products. Therefore it is essential to export and export to the limit of our capabilities. It is good that this insurance has been made available to our exporters. I do not suppose that many hon. members, particularly those representing urban areas, have in their constituencies manufacturers who have not availed themselves of the credit facilities offered by the former corporation. Similar facilities will be made available under the new legislation.

• (4:00 p.m.)

I wish to direct a few questions to the minister in order that the committee may have the benefit of the answers. Before doing so may I say that the answers to these questions will not meet the problems faced by our exporters. One of their greatest problems is the non-tariff barriers, for want of a better term, of other countries. For instance, there is a non-tariff barrier in the United Kingdom with regard to electrical products. They will not allow a Canadian manufacturer of heavy electrical equipment to tender in their market; they do not accept tenders from offshore countries. Canada allows United Kingdom electrical apparatus manufacturers to tender here. Their tenders are accepted from time to time and we purchase equipment from offshore countries that will not accept tenders from our manufacturers. This illustrates one problem facing our exporters which is not covered by the new bill.

Italian manufacturers paying low wages export their products to Canada and our local manufacturers have to compete against those products. The competition is severe, particularly in electrical appliances. The Department of National Revenue imposes corporation and income taxes on our manufacturers, taking up to 50 per cent of their income from them,

while Italian manufacturers pay taxes of only 5 per cent or 10 per cent and put the remainder of their money into research and development of their industries.

I mention also in passing the most favoured nation treaties and arrangements. I do so to illustrate the problems facing our exporters which are not covered by this legislation. Recently four or five countries wished to purchase equipment for satellite land stations similar to equipment installed in Nova Scotia. Canadian companies tendered for that equipment. Pakistan, Malaysia and other countries wanted these satellite land stations, but when Canadian manufacturers tendered they found that their tenders were not even accepted.

I now ask some questions about the bill that opposition members wish to hear answered. Will the new corporation, the successor to E.C.I.C., insure Canadian companies exporting to the United States market? I understand that the previous corporation did not look favourably on such insurance although in the last year or two consideration has been given to insuring Canadian companies exporting to the United States. Also, is the government going to branch out into the banking business? Is it entering the banking field and interfering with private enterprise with these new financial arrangements? Are we overstepping our commitments in the Berne union of which Canada, with other exporting countries, is a member? Are we fulfilling other obligations and commitments when we go into banking so deeply? I think these questions ought to be answered.

The bill calls for the setting up of an advisory council. This is always a very ticklish matter. I hope the advisory council will be composed of men best fitted to undertake these duties. I sincerely hope that partisan political considerations will not enter into the selection of council members.

Is the proposed Export Development Corporation to be a non-profit organization? It was intended originally that the Export Credits Insurance Corporation should be a non-profit body. However, owing to its very able administration it was able to show a profit after several years. I have the exact figures in my hand. According to the 1967 annual report and financial statement the excess of operating income over policyholders' claims amounted to $4,540,226. Together with interest on investments the total surplus was over $12 million for the year ended December 31, 1967. I do not know whether it is intended to operate the new Export Development Corporation on a non-profit basis, but I think it ought to be a non-profit organization. It should help our exporters to develop exports, create jobs and be of distinct advantage to Canada. It ought to break even but not make a great profit.

Of course we are all most anxious to see that corporations such as this one are not given too much latitude with respect to salaries and expenses. Clauses 9 and 10 of the bill give wide powers to the corporation, as does clause 16. Hon. members of the opposition are always concerned about wide powers given to corporations when the house has no way of scrutinizing the exercise of those powers. Having read the bill I have not seen any provision that the corporation must table an annual report. The former corporation had to do so and I think this corporation should also be obliged to do so. Perhaps the requisite wording is in the bill. In any event, we ought to make sure that it is necessary for the corporation to table an annual report in the house.

Those are the observations I wish to make at this time. I am sure the committee will study the bill carefully and give it the consideration it deserves. I conclude by repeating what I said at the beginning. I am at a loss to know why a new bill had to be introduced when the Export Credits Insurance Act could have been amended. The changes proposed in this bill could have been brought in by way of amendments to that act and we could have been spared all these details regarding changes in administration, reorganization and all the rest of it. Again I say to the house we would be remiss if we did not give full credit to the Export Credits Insurance Corporation for the wonderful work it has done in this field by making it possible for our exporters to export to countries that they had never been able to export to previously.

• (4:10 p.m.)

In closing I point out that the principal commodities insured in 1967 were in the following ratio: iron and products related thereto 27 per cent, wood and wood products 26 per cent, agricultural products 12 per cent, non-ferrous metal and related products 8 per cent, aircraft 7 per cent, chemicals and products related thereto 4 per cent. This shows the very wide scope of manufacturing in which the corporation has extended credit to exporters.

Mr. Max Saltsman (Waterloo): Mr. Speaker, it always strikes me as rather strange how

easily a Crown corporation can get approval in this house when it is to assist businessmen and how difficult it is to get a Crown corporation approved by the house when it is to help the consumers or when it is a housing corporation that is proposed. I do not object to this corporation being set up in this form; it is probably the best form in which to do it. But I hope that the members who are supporting this measure and who seem to have considerable enthusiasm for this form of public enterprise will maintain that enthusiasm for other Crown corporation proposals that come before the house from time to time which are for the specific purpose of helping the people of this country who are not manufacturers and who perhaps do not have the same kind of leverage with the government that manufacturers have.

It is hard to assess the purpose of this corporation in comparison with that of its predecessor, and I would like to enter a reservation with regard to its merit. I very much fear that what we are seeing here is an attempt to enter into the 20th century scramble for investment, just as the nations in the 19th century scrambled for colonies, and it seems to me that Canada is now joining the new investment imperialism. I would ask assurance from the government that this is not its intention.

It is significant that the board is to be composed of public servants and businessmen. We can understand why representatives of the public service who are familiar with this operation should be on the board. We can also understand why people directly engaged in export should be on the board to offer their advice and provide valuable information. But there is a need for someone to be on this board who is directly involved in government policy, a government representative, a political representative, to ensure that the board operates in the best interests not only of Canada but of those other nations that it seeks to serve.

I was pleased to see that the intent to preserve the national interest of Canada is written into the bill, and also an expression of concern about the effect of investments upon other countries, but I am not prepared to believe that this kind of political decision can be carried out by people who are not involved in the policy-making process. If there is a lack of clarity in the bill it seems to me that it arises from the government's unwillingness to recognize the political implications of a measure of this type.

For instance, is this corporation going to view any proposition that comes before it only from the viewpoint of the profitability to the private investors? I would hope not, because the bill says that they will consider the national interest and the interest of foreign countries. Are the nominees as outlined by the bill in a position to determine those interests? We are talking about a political decision. Once you get out of the realm of business, out of the realm of private profit-making, and start talking about the national interest and the interest of foreign countries you become involved in a political decision. Who is going to make the political decision? Who is going to oversee the making of that political decision? As the matter now stands it does not look like this board will be able to do that kind of thing.

It is quite obvious that the people of Canada, through the government, are taking all the risk in this venture but do not have much of a voice in regard to the policy of the board. The minister may say that we in this party are asking too much. Why should Canada ask for things that other countries are not asking for? After all, we are bringing in this measure. We are improving opportunities for our manufacturers in line with what other countries are doing. We are stimulating our investors to go into foreign countries. Why should Canada stay out of this race?

I can only reply that we are not in the position to determine the policy of other countries. That is for them to determine, but we can wish for our country something better than what is happening elsewhere. Canadians do not wish to be imperialists. We do not want to join in the scramble for financial colonies. We do not need them. We have no interest in playing that kind of role in international affairs. I look forward to the minister explaining the government's position in this regard and to his assurance that this program will not develop along such lines.

Canadians should be very sensitive about bringing about the kind of difficulties that are created by foreign investment. We have been the major victims of this kind of economic imperialism, and we certainly would not wish to impose on others the kind of problems that have been imposed upon us. We are not in such desperate economic conditions that we have to milk some of the riches of other countries. We are a rich country whose future is not in doubt. If it can be demonstrated that in most cases investment will benefit foreign countries while giving them the freedom they

require for their own development we in this party will be in complete agreement with that kind of approach, but only on those terms.

At the moment the government is going through a foreign policy. It is looking for a new role for Canadian foreign policy. Investment is part of a nation's foreign policy. We should be most careful to ensure that the investment policies we encourage are in harmony with the kind of foreign policy this country wants and thinks desirable for its future.

• (4:20 p.m.)

I find it very difficult to understand in what way the sending of investment dollars out of this country is really of any great assistance to Canada as a nation. The old imperialism was seldom of benefit and very often created problems with which a nation had to live for years and years afterwards, and there is a danger in investing outside our boundaries or encouraging investment outside our boundaries particularly when the argument is made that in Canada we are capital hungry. In effect we are suggesting by this bill that Canadians invest in other countries and that the vacuum in our country be filled by foreign investment.

The argument is heard repeatedly in the house that there is not enough investment for our own development. What then is the point in encouraging foreign investment under these circumstances? I have never accepted the argument that we really are capital short or capital hungry, but this is a point which is often made by other hon. members. So we are trading off Canadian capital. On the one hand, we are encouraging the outflow of our capital and, on the other hand, we are suggesting that the gap left be filled by foreign capital. We are already more dominated by foreign capital than any other country in the world.

What kind of sense does the policy this bill seeks to encourage make? I cannot see it. All of us are in favour of using some of our capital to help foreign countries. We can understand that argument. It will hurt Canada a little, but those countries need the investment far more than we need it here. We have an obligation as a part of the family of nations, and as human beings looking at the problems of other human beings, to assist and help. If that is the argument, then let it be stated in those terms and we can accept it in those terms. I find it difficult, however, to accept the argument that the export of capital from this country will in the long run benefit the people of Canada. I think it may very well create far more harm than benefit.

There seems to be a prevailing myth in the minds of the members of the cabinet that we must export and that our life depends on exports. Throughout our history there has been an emphasis on getting rid of our raw materials as rapidly as we can and on getting rid now of our manufactured goods as fast as we can. I believe that exports and imports should flow naturally rather than be artificially stimulated as they frequently have been in this country. The more we export, the more we import. I am not sure what the answer is, but I have some doubt concerning the conventional wisdom which seems to be so sure about the answer. To what extent do we really benefit by putting this tremendous emphasis on export? It creates as many disadvantages as advantages, and it makes us enormously vulnerable to what goes on in other parts of the world.

Because our exports are largely in semi-finished or raw materials we in effect trade off these goods for highly manufactured and highly finished goods which are the largest component in our imports. The minister says the provisions of this bill will increase our productivity. The implication is that if we export more a certain amount of rationalization will take place. There is some truth to this but it is a very small amount of truth. I say to the minister that we must do far more than merely encourage exports if we are to rationalize industry in Canada and make it as productive as it deserves and needs to be. Far more than this small measure is required. I am always worried when measures of this kind are presented to the house as being a panacea for deep-seated problems. I do not suggest that this small measure will not help in a way, but we should not think it is a very large part of the answer when in effect it cannot be that kind of an answer.

Why do people buy from other countries? They do so because those countries have a natural advantage in the production of both goods and services. We know there are distortions in markets, subsidies and various regulations which must be overcome, but by and large goods move back and forth between one nation and another because there is a comparative advantage elsewhere of which people wish to avail themselves. The bonusing of exports is part of the picture, but I suggest our chief concern should be to make Canadian industry efficient and productive. In order

to do that we must rationalize our industry and bring about a more effective structure. The difficulty which stands in the way of getting that kind of industrial structure is the pattern of foreign ownership in Canada. The government has consistently refused to tackle this problem. These palliatives are brought in which serve to blot out the real and substantive difficulty in this country.

It is for these reasons among others that I raise these questions concerning the effectiveness of the measure now before us. Looking through the bill one must marvel at some of the naïve assumptions. Perhaps I will be excused if I am not completely accurate when I paraphrase. I can be corrected if I am very wrong. The bill provides that agreements can be signed with other countries which will commit those countries to honour these agreements. I wonder how this can be done in this revolutionary world. Some countries are now run by dictators and oppressive leaders. What will the situation be when the people overthrow those leaders? Are we to hold them to a commitment made by a government which they did not approve and sought to overthrow? Surely this sort of thing cannot be done. One could try to do it but it is too unrealistic to expect that a commitment of that kind would be honoured. A very good example is the situation in Peru in respect of the seizure of some of the oil assets in that country.

We are in some ways sowing for ourselves seeds of difficulty with regard to some of the emerging nations. I would hope the government would make it very clear that as our investments in foreign countries grow, particularly in the underdeveloped nations, we will not develop a gunboat mentality and say that because we have investments we must seek to influence the kind of political system the people in those countries choose for themselves. In respect of investments there is always the danger that this kind of attitude might be taken and pressure exerted on the government to protect in this case not only the investments of private people but the government's contribution as well.

When dealing with foreign countries we should also be prepared to get out when they want us to get out and not raise any fuss about it. I believe Canada should take the position that the sovereignty of nations is more important than any private investment whether domestic or foreign. This should be made very clear, and it does not appear to be clear in the bill as it now stands. We should make sure that we in Canada are not guilty of the same errors regarding extraterritoriality in other countries whereby the laws of another nation have accompanied foreign investment in Canada and have made those investors subject to laws made outside this country. We should ensure and insist that Canadians who invest in other countries will be completely and absolutely subject to the laws of those countries in which they invest so there will be no conflict between private interests and the political sovereignty of the nations in which the investments are made.

• (4:30 p.m.)

We have a chance to show ourselves as sympathetic to the national aspirations of emerging countries. This bill provides a framework in which to do this, but whether it will have this effect will depend to a very large extent on the political direction given to the people in this corporation. It will also depend to a large extent on whether the corporation will simply be turned loose to make as much money as possible or whether we will accept our obligation to see that it acts not only in the best interest of Canada but also in the best interests of those countries which at this time need our help and assistance. It is for that reason that we support the general principle of assistance and urge that the purpose of the corporation be made clearer than was evident from the minister's statement today. We urge the government to accept its moral responsibilities in the establishment of the Export Development Corporation referred to in the bill before us.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. I should like to advise the house as to the subjects to be dealt with at the time of adjournment. They are as follows: the hon. member for Halifax-East Hants (Mr. McCleave)—Future of Don Messer t.v. show; the hon. member for Winnipeg North Centre (Mr. Knowles)—Reference of Woods Report to Standing Committee on Veterans Affairs.

GOVERNMENT ORDERS

EXPORT DEVELOPMENT CORPORATION

MEASURE TO PROVIDE INSURANCE, GUARANTEES AND LOANS TO DEVELOP TRADE

The house resumed consideration of the motion of Mr. Lang (for Mr. Pepin) that Bill C-183, to establish the Export Development Corporation and to facilitate and develop export trade by the provision of insurance, guarantees, loans and other financial facilities, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, the purpose of Bill C-183, now under consideration, is to establish a corporation to facilitate and develop export trade by the provision of insurance, guarantees, loans and other financial facilities as indicated in the explanatory notes of the bill. In other words, the government intends, through various financial provisions, loans, insurance and credit, to facilitate and to increase the exportation of goods and services.

In fact, it is for Canada a matter of increasing its exports to countries or nationals who can pay for the products they buy. On the other hand, if they are not in a position to do so, the government, or the corporation it plans to establish, undertakes to protect the Canadian exporters or manufacturers by taking the necessary means to give them a compensation in case of insolvency. Such are, it seems, the purpose of Bill C-183 and the philosophy of the Canadian government. In that respect, Mr. Speaker, several questions come to our mind. Why do we ask the Canadian exporters to increase exports, even though their customers may not be able to pay for the goods or services delivered? Why does the Canadian government feel compelled to guarantee the reimbursement of unpaid bills by foreigners while the Canadian producers and merchants who deliver goods or services to Canadian customers do not enjoy similar benefits if their customers are unable to pay?

In other words, why would not the government give Canadian consumers a guarantee enabling them to buy goods and services without paying for them, since the government would take the responsibility of doing so?

[Mr. Deputy Speaker.]

Such are a few of the questions that come to our minds as we read Bill C-183.

But why all those efforts to increase Canadian exports? It is because foreign countries have a purchasing power which will enable Canadian producers to keep their plants going, to give work to more people that will make more purchasing power available to Canadian consumers and will enable them also to buy Canadian products and services, and come what may, let turn the wheel that brings grist to the mill, that keeps the industry going, that provides profits and returns and enables the government to levy more taxes.

Thus, in order to increase exports, they resort to plans and devices of all kinds, in short they enable foreigners to get our products easily.

Here is what the former Liberal member for Saint-Denis said during a broadcast on the Montreal radio station CKAC, according to the former Liberal newspaper *Le Canada*, in its edition of August 30, 1947, and I quote:

"In spite of the sayings of demagogues whose insight is more than limited, the Liberals do not give anything to foreigners for Canada produces 40 times more than its people can consume, and without exports and loans, whenever necessary, we would have a production surplus, plants would close and we would be facing starvation, unemployment and utter poverty."

As for exports, there would be a crisis, unemployment and utter poverty. Such was the philosophy of the Liberals in 1948; such is still their philosophy 20 years later. And these people are called progressive and open-minded. They say themselves that they have new ideas, that they bring a new philosophy, so that Canada might be governed according to new formulas.

Let us listen to what the Minister for Regional Economic Expansion (Mr. Marchand) said in a speech he made last March 28 at a seminar on economic development, in Chicoutimi. I quote:

Essentially, regional development is aimed at creating new possibilities for employment and promotion in underdeveloped areas and helping people to take advantage of them.

And he added this:

The first imperative of social justice is to provide enough jobs. It is a basic economic problem, but it is also an essential social problem.

The second imperative is to keep the jobs in harmony. The third one is to have people use the services which they need in order to take advantage of the opportunities for decent employment.

Finally, to explain the role of the department which he was going to manage, the Minister for Regional Economic Expansion stated:

> This department aims at increasing the possibilities for productive employment and facilitating access to these jobs.

Such then is the philosophy of the government. To provide work and jobs, as if the objective of the economy was to keep the men busy and to make them work.

Why does this government reason as people did 20 years ago? Why does the Minister of Regional Economic Expansion do likewise? And why does the Minister of Industry, Trade and Commerce (Mr. Pepin) reason the same way, though he is an economist?

Because workers can only earn their bread through hard work. Because, in their opinion, man was born to toil, to produce. If he ceases to be a means of production, he loses any right he may enjoy of benefiting from it. That is why the trend is to set up as many jobs as possible. That is why statesmen, politicians, economists and businessmen are hand in glove with each other. Thus they extol full employment to the point of creating useless jobs, if they must, so as to keep the people busy.

Let us remember, Mr. Speaker, some of the winter works programs—

• (4:40 p.m.)

[*English*]

> Maintenance of employment is wanted for its own sake and not simply to make a plan for social security work more easily. It is better to employ people on digging holes and filling them up again, than not to employ them at all; those who are taken into useless employment will, by what they earn and spend, give useful employment to others. It is better to employ people, however the money for paying their wages is obtained, than not to employ them at all.

[*Translation*]

Our good friends to our right will surely have recognized one of the high priests of British socialism, William H. Beveridge, in this excerpt from the book, Full Employment in a Free Society, pages 17 and 147.

Another economist, whom our socialist friends esteem highly and who is also recognized as an authority in Canadian government circles, Lord Keynes, was reported by the Canadian Press to have said at the time of a visit to Ottawa on September 4, 1947, and I quote:

> England needs certain products, but it has neither the money to pay for them nor the goods to pay her imports through exports. Canada and the United States which helped England considerably during the war must now continue to ship their goods to that country to keep their economy moving and provide employment for their workers.

Such reasonings reveal the absurdity of the present system. It is easy to believe that England is happy to accept gratuities coming from Canada. But to claim that Canada should adopt a policy of gratuities to strangers, merely to give work to Canadians, verges on absurdity if not insanity.

In his book entitled *Tomorrow's Trade* and published in 1945, the American economist Stuart Chase was courageous enough to suggest more reasonable solutions. I quote:

> Americans, he said, lend dollars to foreigners; foreigners use those dollars to pay for their imports from the United States. Those exports give a stimulus to production and employment in the United States; but foreigners benefit from the goods while American taxpayers lose everything.
>
> If we must intervene to alleviate unemployment, he added, why not distribute directly our goods to those in need of them in our own country, to Americans themselves?

We of the Ralliement Créditiste are opposed to the philosophical concept implied in Bill C-183 and advocated by the Minister of Industry, Trade and Commerce and his colleague the Minister of Regional Economic Expansion.

When the Minister of Regional Economic Expansion states that:

> The first imperative of social justice is to provide enough jobs—

—we reply, with Pope Pius IX, that the economic body will be soundly constituted and will achieve its aim only when it will provide all its members and each of them with all the goods and resources of nature and industry as well as the truly social organization that society has the means to provide them with.

As for the philosophy of the government, of the Minister of Industry Trades and Commerce and of the Minister of Regional Economic Expansion, it tends to make believe that the objective of the economic activities is to provide everybody with work, to multiply the number of jobs. Besides, we of the Ralliement Créditiste, endorse the opinion of Father Georges-Henry Lévesque, whom the Minister for Regional Economic Expansion knows well. I quote:

> The economy must not strive to create wealth for its own sake, but to provide for the requirements of all and to produce goods which actually enrich all the citizens of a country. In economics parlance, we would say that the goal of the

economy is the welfare of consumers, of all consumers. The consumer first! Such must be the slogan of any truly social, truly humane economic policy.

Those comments are confirmed in the "First Report of the Christian Doctrine Wealth, Committee of the Congressionnal Union of Scotland" dated May 10, 1962. It is a unanimous report from a group of British politicians, economists and Church leaders with the view of drawing up a Christian doctrine on wealth.

Here is what the report says on page 16, and I quote:

The notion that it is better to hold any position than none at all has made its way just as that other one that the first goal of the economic system is to offer employment—

We can only emphasize again what we said in the first part of this report, that the purpose of production is consumption, and, generally speaking, although man's work is a means whereby to achieve such purpose, it must not be considered only in the light of production. From a Christian point of view, it is wrong to say that a man should do the work that can be done by a machine; it is wrong to say that man should work without any physical or spiritual satisfaction. Those are nevertheless the very features of the society we live in, and this is so because man is forced to find some job or other if he is to meet his legitimate needs.

The report goes on to say:

It has been said that nobody should have anything for nothing. However, notwithstanding this so-called principle, social assistance, free schooling, family allowances, health services, all this is acknowledged the world over because it is realized that the community as a whole draws benefits when each individual shares in the common good.

Unemployment and other social benefits reaffirm the principle that it is a duty for the community to ensure the welfare of those who are unable to earn a living, on account of old age, health conditions or their inability to find a job.

Therefore, we must conclude that society will have an ever-growing obligation to distribute means of living among its members by ways other than paid employment.

• (4:50 p.m.)

Those ways of thinking have spread, Mr. Speaker, and on this side of the Atlantic, those people are not the only supporters of such measures.

On March 22, 1964, 26 economists, union leaders, newspapermen and political leaders, including the economist Robert Theobald, Mr. Gunner Myrdal of the Institute of International Economic Studies, Mr. Ben B. Seligman, director of the Research Section of the Retail Clerks International Association, Mr. Linus Pauling, Nobel peace prize winner as well as other famous American personalities, submitted to President Johnson a brief on the Triple Revolution in progress in the United States at that time: the revolutions in the fields of cybernetics, armaments and human rights.

In connection with the cybernetic revolution, the signers of the brief state that the present economic system cannot provide employment to everyone and that adherence to the relation between income and employment as a basic method to distribute demand efficiently is now acting as a check to the almost unlimited capacity of a production system based on cybernetics.

They add and I quote:

An adequate distribution of the potential abundance of goods and services will only be carried out when we will understand that the main economic problem is not to know how production will be increased but how the abundance will be distributed. There is an urgent need to alter basically the mechanisms used to answer consumers' needs.

As a first step towards a new consensus, concludes the brief to president Johnson, it is essential to recognize that the traditional link between employment and income does not exist anymore. The economy of affluence may bring to every citizen comfort and security, whether they are engaged or not in what is generally called work. The wealth brought about by machines instead of by men always remains wealth. We recommend therefore that society, through appropriate legal and governmental institutions, undertake to supply each individual and each family with an adequate income that would be theirs by right.

The legislation brought before us by the minister of Industry, Trade and Commerce constitutes a residue of puritanism which no longer has its place in a world dominated by cybernetics and characterized by affluence. Solutions of 20 years ago, which the Liberals bring back to try to remedy the economic situation of Canadians, are obsolete cures.

The time, the energy and the money we waste would serve a better end if applied to a study of the solutions offered by hon. members from the Ralliement Créditiste.

Mr. Speaker, before closing I would add that we, from the Ralliement Créditiste, know and believe that we can supply other countries, at least in part, with the goods they may request from our industries.

At the present time, a delegation made up of 4 or 5 of our ministers is in Tokyo with a view to concluding trade agreements.

Now, Mr. Speaker, I believe that when entering into such agreements, we ought to be careful so that the conditions now prevailing will not become permanent, that is selling our raw materials to foreign countries even if we have to buy them back, and at a very high cost, once they have been processed.

I think we should endeavour to find ways of processing our raw materials in our own industries, in order to put finished products on the market, according to the physical possibilities of our country.

[*English*]

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, unlike the hon. member who just preceded me I will not read from a prepared script and I hope I will be comparatively brief. It is not my intention to address my remarks directly to the bill now before us but rather indirectly following the statement by the Minister without Portfolio (Mr. Lang) who introduced the bill this afternoon. During the course of his remarks he made three rather important statements and it is because of these statements that I am on my feet now. I am certain that I took them down correctly and I would like to cite them now.

The minister said, first, that exports are an essential key to our Canadian economy. On the surface no one could disagree with that. Second, he said that stimulation of exports must have top priority. On the surface no one in this house could disagree with that. Third, he said that the Export Development Corporation would give financial support to expanded export credits. On the surface no one could disagree with that. But I am saying that in making those blunt statements without any explanation of government policy regarding the Canadian economy the minister was unfair because in order to appreciate our economic situation in relation to expanded exports and expanded credits it is necessary for the minister to put the principles he espouses in the context of the Canadian economy and of other government policies.

Let us consider his first statement. The minister said that exports are an essential key to our Canadian economy. Of course that is correct. But this house is entitled to know the relationship of the export sector of our economy to government policy on imports because if we expand our exports, as we must, we must be able to meet a trade and financial imbalance. So I say it is unfair to speak about a measure to increase our exports unless we have some understanding of government policy on how to meet our trade and financial imbalance or unless we increase our imports.

I am not an economist but I think I have studied the subject sufficiently to know that some adjustment must be made somewhere. It would simply be impossible to expand exports greatly unless we also expand imports greatly. I do not know whether my friend has been here long enough to know that every time we increase imports certain manufacturing industries from the east to the west coast come to Ottawa to meet members of the government and to raise hell because they say they are being driven out of business. We know that four ministers are now in Japan. I believe that the purpose of their visit is not so much to expand our exports to Japan as to curtail imports to Canada because of the complaints that the government has been receiving with regard to what Japanese imports are doing to some of the manufacturing industries in this country, whether they be cotton, linen, pottery, or something else. So it is of the utmost importance for the Minister without Portfolio, when he tells us that exports are an essential key to our Canadian economy, which undoubtedly they are, to tell us what is the Canadian policy on imports. Imports must also expand in order to meet the imbalance of trade and the imbalance of payments.

• (5:00 p.m.)

How are we to face the manufacturers of Canada, now having a rough and difficult time, and facing increased competition, if we increase our exports? I hope the government has the answers. I believe that members of the House of Commons, having been asked to support this bill, are entitled to know what policy the government has in mind to meet the problem which is bound to arise in connection with a greater volume of imports because of increased exports. Anyone who says we cannot have greater imports and greater exports does not know anything about world economics, let alone in Canada. I hope we shall be hearing about this.

The minister told us that the stimulation of exports must be given top priority. Here again he left something to be explained. What is the policy of the government with regard to the control of exports or the stimulation of exports if our own economy is in bad shape? I followed closely what the minister said this afternoon. He gave no indication of what might be done to control the Export Development Corporation if its actions were likely to have a serious effect on the situation in Canada.

I draw the attention of the house to the situation at the present time in British Columbia where we have experienced the most difficult winter in recorded history. The result is that thousands are out of work because the sawmills and the processing plants lack the logs which they required. Only

two days ago I returned from my home city of Vancouver. Thousands are out of work there because as a result of the severe winter logs are not available to meet the needs of the sawmills and processing plants. Yet ships are today loading unprocessed logs there to be exported to other countries. I admit I do not know whether this is being done on a credit basis, but this is my point: In such a situation, what control will there be over the corporation to ensure that export credits are not extended at times when, because of certain difficulties, our own people in Canada are out of work? I ask that this aspect be explained because it was not mentioned by the minister when he spoke this afternoon.

Of course I am in favour of exports and the expansion of exports. However, to my mind top priority should not be given to the exporting of our raw materials when they are required in our own country. I cannot feel that the Export Development Corporation or any similar institution should be able to assist such exports at a time when there are unemployed in our own country available to undertake secondary manufacturing. This is an aspect which I believe to be of the utmost importance and one which should be explained in great detail before a final vote is taken on this measure.

The third point made by the minister was that the Export Development Corporation would be used to provide financial support to expanded export credits. In the light of the two points which I have tried to put forward as being of importance, may I ask whether any indication can be given that the expanded credit will be limited to the extension of credit in connection with those things which are of advantage to Canada rather than to those which work to the detriment of Canada? Just think about what I said in regard to the log situation in British Columbia. Just reflect on whether or not credit should be granted with respect to commodities which are the key to the Canadian economy. The key to the Canadian economy lies in extending as far as possible credits for the development and utilization of secondary and tertiary industries based on our raw resources, in seeing that we do not extend credit for exports when our own people are out of work because of special circumstances. It lies in seeing that Canadians are employed first before we export raw materials, that our manufacturers are assisted first.

I conclude by returning to my original point because to me it is such an important one. The minister talks about extending exports through expanded credits. Will he please tell us what policy the government has in mind to meet the imbalance of trade, the imbalance of payments, so as not to endanger Canadian manufacturing and Canadian industry? If he can tell me that, I shall be the first to complement him.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I wish to say a few words in connection with Bill C-183, an act to establish the Export Development Corporation. I for one am more impressed with the contents of Part II of the bill than with Part I. I do not believe that Part I, having to do with the structure of the proposed new corporation, is really of much importance. Like many bills that have come before the house this session, Part I of the measure before us simply with the restructuring of an agency of the government and this, I suggest, is hardly of great importance. The important thing is what the corporation or agency intends to do, the policies it intends to carry forward once it is operational.

I am curious to know in what way the operations of the Export Development Corporation are likely to be substantially different in the next few years from those of the Export Credits Insurance Corporation in the past decade. I feel it is important and worth while for the proposed corporation to enter into arrangements to provide long-term credits to prospective exporters, to offer forms of guarantees and insurance to Canadian business firms which are engaged in the export business in an important way. Some of my colleagues may have expressed surprise that private enterprise oriented firms should want to avail themselves of the benefits of something that is state directed, but I am not surprised at that at all. Some of our largest firms have shown an amazing capacity to forget their ideological prejudices upon finding something of financial advantage to them. But let us leave ideology aside for a moment and look at the operations of the proposed Export Development Corporation.

• (5:10 p.m.)

For one thing I hope the corporation will have some guidance from the government as to making maximum use of its powers to provide and underwrite insurance for the export trade. Here I want to make specific reference to use of the port of Churchill, a matter that I am sure is close to the heart of the Minister without Portfolio (Mr. Lang)

who is sponsoring the bill. One of the reasons there has not been over the course of many years an increasing utilization of the port of Churchill by the export trade, particularly for the export of wheat, is, so we are told, because of difficulty in obtaining marine insurance for the entire length of the shipping season. To put it another way, one of the reasons the shipping season at Churchill is not longer than it has been in past years is not the physical or climatic conditions but rather the fact that a period of 20 to 25 days has consistently been chopped off the potential shipping season at Churchill because of lack of marine insurance.

It would strike me as strange if we did not make use of the powers contained in this bill to underwrite insurance so as to extend the shipping season at Churchill. It would strike me as strange if we failed to exercise the powers available in this bill, which seeks to stimulate exports by all manner of firms engaged in different sectors of the economy, to extend the shipping season at Churchill and thus reduce the price of western wheat to the importers. If this were the case I would not blame the western farmers and those interested in extending the shipping season at Churchill for being dissatisfied, if not embittered.

The fact of the matter is that the savings that would be realized by producers of western wheat and/or by the importers of that product would be approximately 10 to 12 cents a bushel. Everybody knows this. We have all been looking for ways and means of realizing this kind of saving by reducing transportation costs but nothing ever happens. The answer that comes back is that it is a matter of marine insurance. We are told that the shipping firms that operate the bottoms cannot get insurance, and there the matter is left. The buck is passed and somebody else is supposed to deal with the problem. As a result no progress is made. It would seem to me that this new corporation would be in a position to help resolve this problem, and I will be very disappointed with this administration if it does not give the new corporation some guidance and leadership in this respect.

Having listened with interest to the introductory speech of the minister may I say I agree with him and support his sentiments that we must do what we can to increase and stimulate Canadian exports. That is not saying very much. When opportunity presents itself to take concrete action to achieve this end, I hope the minister will not hesitate in providing leadership to every sector of the economy.

I should also like to ask the minister whether he does not feel that the government could help to stimulate export trade, and in particular help our wheat producers, by taking steps to appoint more trade commissioners to eastern Europe. Is it not the fact that the number of trade commissioners in eastern Europe is zero? Export trade promotion for Canada in countries like Czechoslovakia, Hungary, Rumania, and Bulgaria is done from Vienna, and those who from time to time try to promote exports to Poland work out of Copenhagen. And so the story goes. Something tangible could be done here to stimulate exports. Since 1965, I believe, we have not increased the number of personnel engaged on trade promotion in Europe, certainly in eastern Europe; yet we expect somehow to do better when it comes to selling goods in that part of the world.

The minister may have a good deal of faith in what Bill C-183 will accomplish. We hope that the proposed Export Development Corporation will somehow stimulate exports. Perhaps one way it will do so is through its system of guarantees of investments, which will help businessmen overcome some of their fears. I have no complaint about this part of the bill. But I will complain if this crown corporation fails to assist in extending the shipping season at Churchill; in this regard I think it could have a direct influence. I will also complain if the government, through the Department of Industry, Trade and Commerce, fails to increase the number of trade commissioners throughout eastern Europe. I think this is a legitimate complaint inasmuch as the government will be missing an opportunity to do something tangible to try to promote the sale of Canadian products in that part of the world.

Very often it seems to me that this administration is guilty of engaging in blown-up publicity and propaganda campaigns, in setting up agencies and ad hoc committees, all of which look impressive enough on paper, while all the time failing to take advantage of or follow up on opportunities for taking concrete action. I have a long story to tell in this regard in connection with area development, but I realize, Mr. Speaker, that you would call me to order if I tried to develop this point at this time.

Export Development Corporation

• (5:20 p.m.)

I conclude by saying that it is not difficult to support the government's intentions with regard to Bill C-183. Yet obviously there is reason for one to be sceptical as to what the actual effects of the legislation will be. Having established the corporation the onus will still be on the government to provide the primary leadership in stimulating Canadian exports on the world market.

Mr. Deputy Speaker: Order, please. It is my duty to inform the house that if the minister speaks now he will close the debate.

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): Mr. Speaker, before the bill goes to committee I wish to refer to one or two of the points raised by hon. members. Some of these matters really have been made clear in my opening remarks. If the hon. member for Wellington (Mr. Hales) refers to those remarks again he will see therein enumerated the reasons for introducing a new corporation to take the place of the former Export Credits Insurance Corporation.

The hon. member for Wellington asked whether the Export Development Corporation was to be a non-profit organization. Of course, the intention is the same as for the E.C.I.C., that is, that it should fulfil all its functions and not make a profit. This will not preclude a profit being made as a result of continued good management, although such profit is not required of it.

No advisory council is provided for in the bill. Communication between the corporation and the business world it serves directly will come about through the addition of four members from that area to the board of the corporation. The hon. member for Wellington also asked whether the bill contains a provision requiring the corporation to table an annual report. Although there is no such provision in the bill, such tabling is required under section 85 of the Financial Administration Act.

Hon. members opposite commented about the government's general philosophy with regard to exports and the operation of the Export Development Corporation in that connection. Surely it must be perfectly clear from the bill and from the remarks made in introducing it that the government stands firm on the very sound, long-term liberal policy of promoting the freest, open kind of society possible and the maximum amount of trade. That is the intention behind the bill

[Mr. Schreyer.]

and we hope the bill will fulfil its purpose. These days, in talking about the bill, there is particular emphasis on exports, and this corporation is concerned with that particular aspect of our trade.

I emphasized before, and I do so again, that the government believes that stimulating exports is of tremendous advantage to our economy. That stimulation encourages maximum productivity in the face of competition we must meet if we are to compete with other producers in the world markets. It also brings about the advantage of an enlarged market. I am surprised that the hon. member for Waterloo (Mr. Saltsman) did not pay sufficient heed to the tremendous advantages accruing to this country from that type of rationalization. Of course we are aware that increasing exports will logically lead to the development of increased imports into Canada. But that does not frighten this government, Mr. Speaker. We believe that open trade and exchange of products between countries is of tremendous advantage to those participating in that trade.

The hon. member for Vancouver East (Mr. Winch) was a little worried about whether we were strong enough to resist the pressures of industrialists who might feel the pinch of these imports. I hope the government will be strong enough to face both the industrialists and the workers involved in any particular trade or branch of industry affected by serious competition. I hope we will be brave enough to face them with long-term plans aimed at making our industry in general increasingly efficient. Our objective in the long term is the establishment of the freest possible trade. We have no doubt that that is the right policy. If hon. members wish to hear our assurance in that regard I will be pleased to give it to them.

The hon. member for Waterloo was worried also about assurances we might obtain from successor governments. May I refer him to a general rule of international law in which we put some faith, to the effect that a successor government is responsible for the debts of its predecessors? The history of good faith on the part of governments around the world is good enough to lead us to believe that this is not really such a high risk endeavor—I refer particularly to the investment insurance program—as it might be thought to be by any particular investor. That is an important part of the philosophy behind this insurance program. The government, taking a slightly longer view of the history of a situation, can take

certain risks which an individual, small investor might feel he could not take. If hon. members look at the bill as a whole and particularly at the section dealing with insurance of investments abroad they will see that there is adequate recognition of the political responsibilities that must be involved in the operation of certain aspects of the corporation's work. That responsibility is noted in the bill. It rests on the government and the government takes the responsibility for making certain decisions.

I am pleased with the generally warm reception this bill has received. I know the officials most closely associated with the operation of the Export Credits Insurance Act will be delighted in committee to go into specific detail with hon. members concerning the past very useful operation of the act.

Mr. Schreyer: May I ask a question of the minister? Perhaps he might take it as notice and reply in writing or in some other way. Do the provisions of Bill C-183 preclude the corporation from providing insurance with respect to ocean shipment? I am referring to marine insurance. Would that not help to promote trade?

Mr. Lang: Mr. Speaker, I believe that that specific matter is not within the ambit of the bill. However, I will ask for an opinion on the matter and speak to the hon. member about it.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

• (5:30 p.m.)

TELESAT CANADA ACT

MEASURE ESTABLISHING CORPORATION FOR TELECOMMUNICATION BY SATELLITE

Hon. Eric W. Kierans (Minister of Communications) moved that Bill C-184, to establish a Canadian corporation for telecommunication by satellite be read the second time and referred to the Standing Committee on Transport and Communications.

Hon. A. J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I want to move an amendment to the motion changing the standing committee from the Standing Committee on Transport and Communications to the Standing Committee on Broadcasting, Films and Assistance to the Arts. If the house will be good enough to waive the normal notice, we could put the amendment later.

Mr. Deputy Speaker: My suggestion would be that in future it would be more orderly to move the amendment after debate on the motion. If it is the pleasure of the house I might read the amendment now. It reads:

That the motion for second reading and reference to the Standing Committee on Transport and Communications of Bill C-184, an Act to establish a Canadian corporation for telecommunication by satellite, be amended by substituting for the words "Standing Committee on Transport and Communications" the words, "Standing Committee on Broadcasting, Films and Assistance to the Arts."

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, couldn't this be a house order that we all agree to without any loss of time?

Mr. Deputy Speaker: Is it so agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It is so ordered.

Mr. Kierans: Mr. Speaker, the legislation before the house for its consideration and approval is Bill C-184, an act to establish a Canadian corporation for telecommunication by satellite. This bill, perhaps because it combines two glamorous fields, space and communications, has received a considerable amount of publicity. It was also the subject of many questions by hon. members when the estimates of my department were before the Committee on Broadcasting a month ago, and before the Committee on Transport and Communications last December. Hence hon. members are familiar with many aspects of the project. However, this bill moves a significant and critical step further. It translates theory into practice and refines plans and programs into binding legal terminology. To explain this terminology and practice will, I must warn and apologize to hon. members, require a speech of some length.

In one sense, Mr. Speaker, Bill C-184 is an exceptionally simple item of legislation. The title, which I have just cited, describes the bill in all its essentials. It will establish a Canadian corporation, to be called Telesat Canada, with will develop, own and operate a domestic communications satellite system.

In another sense, however, Bill C-184 is highly complex. The type of corporation proposed is unique in this country. It goes beyond the pecedents set by the Panarctic Corporation in this country and by COMSAT in the United States by combining into a single entity three interests or groups: the government; private industry, which in this instance means the common carriers; and the

public at large. I do not know of any parallel anywhere, but for lack of knowledge of what has been done in countries other than on this continent do not claim this tripartite concept is unique. I do, however, believe that the concept contained within this bill, though not the specific details of the satellite corporation, may serve as a pathfinder for future government-public-private industry partnerships.

As I shall describe in greater detail later, such a three cornered partnershp, which must balance the self-interest of each partner against the interest of the operation as a whole, and which must also strike a balance between financial involvement and management responsibility, is a delicate and difficult exercise. But it is, I am certain, an exercise worth undertaking.

The bill is also complex because of the nature of the undertaking itself. It breaks new technical and scientific ground in a field that is undergoing continuous and rapid change. This field, communications, is one with profound political and sociological implications, and these implications have been reflected in the keen interest taken by hon. members in all aspects of communications, whether in those of the message or, as in this case, in those of the medium. I might at this point mention that I am glad that members of the Broadcasting Committee, which at a later stage will be examining this legislation clause by clause, were able to witness the launching of the ISIS-1 satellite and to visit the satellite ground station at Mill Village.

If some members, aside from acquiring background information, found themselves perplexed by the technological complexities of telecommunications projects I can only frankly admit that there are times when I find myself similarly perplexed.

[*Translation*]

To return to the bill now under study. Before commenting on it in general, I would like to sketch its background, that is, its justification.

Essentially it is a case of supply and demand combining into a project for the national benefit. The supply exists because Canada has acquired a considerable expertise in space matters and in telecommunications. As all hon. members know, Canadians are per capita the greatest telephone users in the world. As all hon. members may not know we have the second-most extensive telecommunications system in the world, with a microwave network of 50,000 miles. In the conquest of space, while our contribution is modest by comparison to those of the United States and the USSR, we nevertheless rank among the pioneers.

Alouette 1, launched in September 1962, made Canada the third nation in the world to have an orbiting satellite, and it has been followed by two other Canadian-designed and built satellites. At the Communications Research Center, at Shirley Bay, we have built up a substantial bank of information on space communications. A good number of Canadian companies, most notably Northern Electric and RCA-Victor, have demonstrated their ability by securing important export contracts in this highly competitive field. In sum we possess the know-how and competence to ensure that in any future projects, in that of a domestic communications satellite system, there will be a substantial Canadian component with an overflow of benefits both industrial and scientific.

Far more important than supply is demand. The abundance of skills and knowledge does not necessarily create a demand for them.

When the need exists, the nation as a whole benefits; when it does not, we are faced with the discouraging problem of brains and talent migrating elsewhere. The need for a domestic satellite system, and hence for the use of our skills, becomes self-evident simply by considering the size of the country. As has been noted many times, Canada is an expression of geography: since we can find in it highly-urbanized concentrations of population, together with a vast, and largely undeveloped hinterland. A domestic communications satellite system alone will provide the necessary means to narrow the gap in the standards as well as in the services inherent to those two Canadian characteristics.

As I said in an earler speech, it amounts to a northern vision for the 1970s. A domestic communications satellite system can fulfill the following needs:

First, provide television coverage in the north and in underdeveloped regions. There is no other economic way this can be done.

Second, provide telephone and message communication service to the north and to underdeveloped regions to bring these areas into the mainstream of Canadian life by high-quality telecommunications.

Third, provide an extension of television service in both languages to all Canadians. This satellite, Mr. Speaker, will broadcast both in French and in English, in short it will speak the languages of Canada.

Fourth, establish a second and supplementary service to the existing east-west microwave network so as to ensure telecommunications from coast to coast.

• (5:40 p.m.)

[*English*]

This fourfold demand can only be met by a domestic communications satellite system. Because we need such a system, and because we possess the means to build it, this bill will set in motion the construction of the first domestic communication satellite system in the western world. It represents the same kind of confidence in the future which Canada demonstrated shortly after world war II by her decision to develop a nuclear-fuelled power system. As hon. members know, our national scientific and industrial resources are limited. We can succeed only by concentrating our resources in areas where there is a direct national need and a definable prospect of financial and technological return on investment. We can afford neither to bite off more than we can chew, nor, by being too timid, to totally lose our taste for competition. Communication satellites fulfil these qualifications. They represent an opportunity to be grasped and a challenge to be met.

The implications of this convergence of supply and demand have been demonstrated by the interest shown by a number of organizations in the possibility of a domestic communications satellite system. The first such proposal, and the organization deserves credit for its initiative, was made in 1966 by Power Corporation and Niagara Television Corporation. Subsequently, proposals were made by the common carriers, the Trans-Canada Telephone System and Canadian Pacific-Canadian National, and by R.C.A. Victor. The government's own interest was demonstrated by the formation, in 1967, of a special satellite task force headed by Dr. John Chapman who is now an Assistant Deputy Minister in the Department of Communications. The findings of the task force were made public in the government white paper of April, 1968. Its essential recommendation was, and I quote:

> Having carefully considered the relative merits of public and private ownership of satellite communication facilities, the government will propose that a corporation be formed by special statute of parliament to develop, own and operate both the satellites and the earth stations of the system, consistent with relevant international agreements. The government will propose to encourage private participation in the corporation and to this end will initiate discussions with the interested parties. The pattern of ownership needed to maintain effective government control in those matters involving national interest will emerge from these discussions.

This bill incorporates into the law the central recommendation of the white paper. The three groups—government, private industry and the public—will each own a proportion of the system. That proportion of ownership will be reflected in representations on the board of the Satellite Corporation. Without shares there will be no board representation for any party, nor will there be shares without votes nor votes without shares. In other words, there will be no power without financial responsibility and no responsibility without power.

Subsequent to the publication of the white paper, planning for the system has moved ahead, conducted by a special project office with the Department of Communications. During the past nine months continuous and extensive discussions have taken place with all the parties interested: the potential users and participants including the common carriers and C.B.C.; the provinces; other government departments; manufacturing industries. Discussions have also been carried on with authorities in Europe and in the United States and will be carried out with the appropriate international bodies on such matters as frequency allocations. All these discussions have proceeded satisfactorily and I might say that no difficulties have arisen relating to international aspects of the system or to the launching of the satellite. In addition, we have had the benefit of a special financial study conducted by Mr. Robert McIntosh, General Manager of the Bank of Nova Scotia and of technical studies by Northern Electric and R.C.A. Victor.

All of these strands have been brought together in this bill. I would like at this point to praise the efforts and the efficiency of the officials of the Communications Department, and in particular those of Gilles Bergeron, formerly head of the satellite project office and now assistant deputy minister in the department. It is thanks to their efforts that the project is not only proceeding on schedule, but at the moment in fact is slightly ahead of schedule. This has happened although the critical paths involved have been taxing in the extreme. The legislation, which as I have said breaks new legal ground, has had to be drafted; simultaneously negotiations of crucial importance to the success of the project have had to be carried on with the principal users and participants; the technical profile of the satellite itself has

had to be selected and specifications prepared so that procurement of the spacecraft segment can be initiated next month. The target date for the launching of the satellite is late 1971, with the system due to begin operation early in 1972. This is an exceptionally tight schedule and it permits no slippages. I might add that all of this has been accomplished by the officials of the department at the same time as the Department of Communications itself was in the process of being formed and of acquiring personnel.

At this point, Mr. Speaker, we arrive at the bill itself. The purpose of the bill, and the raison d'être of the corporation it will create, is set out clearly in clause 5 titled "Object of the Company". The preceding and succeeding paragraphs amplify those objectives and provide the means to accomplish them.

Clause 5 reads:

> The objects of the company are to establish satellite telecommunication systems providing, on a commercial basis,—

That is on a profitable basis.

> —telecommunication services between locations in Canada.

This means that the system will be constituted purely on a domestic basis; that it will provide telecommunications services by means of a satellite; and that it does this on a self-sustaining basis—that is what commercial basis means—rather than by government subsidies.

Section 2 of clause 5 reads:

> The company shall utilize, to the extent practicable and consistent with its commercial nature, Canadian research, design and industrial personnel, technology and facilities in research and development, connected with its satellite telecommunication systems and in the design and construction of the systems.

[*Translation*]

It is therefore our intention, Mr. Speaker, to utilize in this system a Canadian designed and built satellite and associated ground facilities.

The bill gives a detailed description of the structure of the corporation. Our planning has reached the stage where it is possible for me to describe the system in some detail.

From the start we have been faced with a range of alternatives in the type of system we could choose to build. As was said in the House, the cost of the total system—that is of satellite or satellites, launching facilities and ground stations—could range from $65 million to $160 million, depending on whether we built a "compact" or a "Cadillac" system.

Having thoroughly considered these possibilities, we have opted for a "compact" system. Its cost will run from $65 million to $75 million, according to the estimates provided to the department and on the basis of the number and variety of ground stations it is decided to install.

That round sum will be made up of $40 million for the satellite, $6 million for the launcher and about $20 million for the ground segment which comprises a master control station, four regional-type multiple-access transmit-receive stations and some 20 northern television receive stations.

These figures are subject to change. For example, our initial estimate of about 20 northern television stations may be substantially revised upwards, if the current estimates of construction costs are borne out. The space segment of the system consists of a single satellite to be placed on geostationary orbit 23,000 miles above the equator and approximately in line with Winnipeg. The satellite itself will comprise six transponders, each able to transmit either a single broadband television channel or the equivalent of 600 telephone circuits. In the event of failure, either at launch or whilst in orbit, this satellite would be replaced by another of identical dimensions. Depending on the growth of demand, a second six-channel satellite could be launched and placed in orbit alongside the first.

The reason why we have chosen a "compact" system is that it meets all our needs at a price we can afford, both as a nation and as a satellite corporation.

The "Cadillac" system would have involved the construction of three satellites, two in orbit with the third in reserve on the ground. It would have also involved the immediate construction of an extensive terrestrial system, instead of, as we now plan, building up that system over the years to match demand. A "Cadillac" system would have provided high reliability in the event of satellite failure and freedom from noise interference during those times when the satellite is in conjunction with the sun and earth. These are marginal benefits which come at too high a price. In addition the two orbiting satellites would have provided a total of 12 television channels, far in excess of anticipated need.

This same consideration of excess capacity has led us to reject a proposal by Comsat that

Canada purchase one of the Intelsat-IV series of satellites. The proposed price was 2 per cent cheaper than for a Canadian-built satellite and launcher. For that sum we would have secured a 12-channel satellite, which could have constituted capacity far in excess of our needs. It was a case of things not coming cheaper by the dozen.

A further consideration in the choice of satellite, Mr. Speaker, is the obvious one that a Canadian-built satellite will add significantly to our scientific and industrial capacity and bring with it, significant opportunities for Canadian firms to secure export orders on similar communications systems being implemented in other countries.

During the clause-by-clause study in committee I will be glad to provide other technical and economic details as required by hon. members.

● (5:50 p.m.)

[*English*]

The system I have just described will be operated by the satellite corporation to be created by Bill C-184. Once the corporation itself is in full operation, and the scheduled date for this is September, 1969—between the passage of this legislation and the appointment of permanent officers for the corporation there will be a provisional board of directors as set out in clause 4—the corporation itself will develop the system, subject to such policy considerations as those set out in clause 5(2) and by the requirement for government approval of such initiatives as the construction of new ground stations as set out in clauses 8(1) and 8(2). The corporation therefore, once the system is in operation, will make decisions on expansion, whether of the terrestrial system or the space segment. Given the rapid and often unpredictable rate of expansion of the communications industry, it is impossible at this point to precisely predict the date at which the space segment of the domestic communications satellite system might need to expanded by the launching of a second six-channel satellite.

However, current discussions indicate the possibility that all six initial channels will be fully occupied, that is rented, when the first satellite goes into operation in 1972. The users would be the Trans-Canada Telephone System, in CN/CP and the C.B.C. At a minimum, four channels would be rented by this date with the full six occupied by 1975. However, it is possible, and indeed we are most hopeful, that all six channels will be rented by 1972 and this would naturally have a significant effect upon the profitability of the corporation.

Profitability is a determinate of the structure of the corporation. The common carriers have proposed that they alone construct and operate the system. The government, acting on the recommendations of the white paper, has rejected that proposal. The project serves a national purpose. Outer space, carrying with it major considerations of international policy, should not, in the government's judgment, become the preserve of a privately-owned corporation.

The other alternative, at the other end of the spectrum, is a wholly government-owned enterprise. The government could, at the taxpayers' expense, build and operate the system by itself. We have rejected this alternative.

The reason is that the common carriers have acquired an outstanding expertise in the economic development of telecommunications. They claim, and with ample justification, that Canada's telecommunications system ranks as one of the most efficient in the world. It would, in my view, be as unwise as it would be impractical to ignore the contribution which private industry can make to such a system.

A third possibility, which has been proposed, is that barring sole ownership by the common carriers the system should be restricted to a joint partnership of common carriers and government, with the public excluded. This possibility we have also rejected. The public are the final users of the system and will pay for it either directly through rates or indirectly through taxes. Public equity in a corporation initiated by the government fulfils the ideal of public participation in ventures undertaken in the name of the public; it fulfils also the urgent need for a broader selection of Canadian-owned companies available to Canadian investors. Finally, public participation will ensure accountability to the public at large rather than merely to those parties directly interested in the venture.

As hon. members will have noted, the bill does not specify the respective share ownership to be allocated to each of the three groups involved, that is government, common carriers, and public. The reason is that it was not possible, in a legal sense to do so at this time. Discussions with the common carriers are still continuing. Taking the extreme case

that the carriers should decide to decline all share ownership, in which event the government and public shares would be proportionately increased, then to have specified in the bill that the share allocated to the carriers must be such and such would render the bill inapplicable.

I can, however, inform hon. members of the principles upon which the proportionate division of ownership will be based. It has been our conclusion throughout that the share ownership of each of the three parties should be approximately equal and that in the case of none of the parties involved should it fall below 30 per cent. Given those determining considerations a logical division might be 33⅓ per cent; 33⅓ per cent and 33⅓ per cent. A tripartite division may differ fractionally from those percentages but will not, I can assure hon. members, vary to any substantial amount.

Further limitations on the distribution of share ownership are set out in Appendix B. Non-residents may not hold more than 20 per cent of the shares allotted to the public sector, that is approximately 7 per cent of the total shares issued by the corporation. No single shareholder in the public sector may hold more than 2½ per cent of the total shares issued by the corporation. This provision is designed to promote the widest possible share ownership while at the same time permitting institutions with a direct interest in the corporation to acquire a measurable share ownership.

An hon. Member: It is six o'clock.

Mr. Speaker: Order, please. It has been drawn to the attention of the chair that it is six o'clock. It being six o'clock I now leave the chair.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Kierans: Mr. Speaker, I have already described the rationale behind the public ownership. The considerations behind ownership by the common carriers deserve a more extended explanation. Aside from their expertise in telecommunications, the common carriers will be the principal users of the system. They will rent its services to retail to their own customers. The corporation will operate as a complement, not as a competitor, to the common carriers. Except in the instances of the C.B.C. and of certain possible purchasers of a complete, undivided television channel on a sustaining basis, the sole customers of the corporation will be the common carriers.

The common carriers who will be eligible for share ownership in the corporation are listed in schedule A of the bill. One change in the list is required. Some hon. members, and most certainly those from the province involved, will have noted the absence of the Island Telephone Company. The reason is that only those eligible common carriers who expressed an interest in ownership were initially listed in schedule A. Subsequent discussions with Island Telephone have clarified this point, and at the appropriate stage in committee I will move the necessary amendment with pleasure. A parallel amendment will be required to accommodate the recent change in name of Saskatchewan Government Telephones to Saskatchewan Telecommunications. A means to ensure any other such needed changes in future is provided by clause 43.

At this point I should mention that I will, in committee, be moving a number of other amendments. For one of them I must apologize to hon. members. In the first line of clause 12(4)(c) there is a mis-translation from the French to the English text which was overlooked in proof-reading. The words "if any", after the phrase "shall fix the number of directors", should be deleted and will be deleted by an appropriate amendment. I will also place before the committee a number of other amendments, making these available to the committee at the start of its hearings. None of these amendments concern matters of substance and none affect any of the remarks I have made in this speech. They involve, however, particular aspects of the corporation's affairs where it appears the existing wording either lacks clarity or is susceptible of an interpretation other than that intended.

Such important but fine legal points can perhaps be most effectively discussed at the committee stage. My purpose here is to convey to hon. members as explicitly as I can the implications and content of the legislation they are being asked to approve. I have discussed ownership by the public and common carriers. I would like now to turn to that of the government. The project, as I have said, is one of national interest and national concern. It also involves important international

considerations. All these factors compel a significant government involvement; but that involvement should not, in my judgment, be majority ownership. Such a situation would make impossible significant share ownership by the public at large. The interests of the government, however, and also those of the other "block" partners, the common carriers, are protected by clause 33 which requires a two-thirds majority of the total votes before any changes can be made in the objects of the company. This means that either the government or the common carriers, together with any single owner of a single share, can prevent any change in policy by the corporation detrimental to their interests. Together with this justified protection there is, in clause 33, a means provided for the corporation to take advantage of opportunities for expansion that would be in the best interests of all its shareholders, but only, I repeat, if such opportunities should be in the interests of all partners and subject to the receipt of letters patent by parliament.

Protection of the primary interest of the government is also incorporated into a number of other sections of the bill, such as clause 9 which requires ministerial approval of agreements negotiated with foreign bodies. Although, as set out in clause 34, the satellite corporation will be neither an agent of Her Majesty nor a crown corporation, it will be required to table its annual report in parliament.

A final and vital source of protection of national interests will come about through regulation. If the satellite system were in operation today, it would be subject to the provisions of the Radio Act both with respect to technical matters and to the scope of the system itself as it already applies to the terrestrial microwave system. It is our intention, as I have already informed the house, to study present and future telecommunications needs, and on the basis of these studies to recommend a national telecommunications policy and accompanying legislation for both satellite and terrestrial systems.

As I said earlier, the distribution of membership of the board of directors will reflect the distribution of share ownership. Financial commitment and responsibility will be directly linked. During the interim period the corporation will be managed by a provisional board of directors as set out in clause 4. It is considered appropriate that these provisional directors should to a degree reflect the eventual composition of the permanent board of directors.

Before completing this review of the bill, I would like to describe its financial aspects. The amounts of financing which will be required for the initial system will probably be approximately $60 million. This amount is based on the present estimates of the capital cost of the satellite system facilities. Depending on conditions of the capital markets and related factors, it might be possible to raise a portion of the required financing by means of term debt. While there is provision for the issue of preferred shares, it is not envisaged that these will be issued in the foreseeable future. In the circumstances, I cannot provide you with more specific details on the capitalization of the company nor of the exact timing for the necessary financing. However, my own view is that the management of the company will be in a position to proceed with the financing arrangements by the fall of the current year. I also believe that the three groups will participate concurrently. Bridge financing to sustain operations in the meantime will be provided by the government through the Department of Communications.

It will be noted that it is provided in the legislation that the government's participation will be limited to a maximum of $30 million in the shares of the corporation and a maximum of $40 million in loans. It is, of course, not expected that the initial investment by the government will reach the limits I have indicated. These limits were set high enough, however, to enable the government to ensure success of the system.

• (8:10 p.m.)

At the start of this speech I apologized in advance for its length. Having completed it, I again apologize for having taken up so much time of the house. I will be glad to provide further information and to answer specific questions. The legislation, I recognize, is complex and perhaps difficult. It is designed to create a new and important type of partnership between government, the public and private industry, and to do this in a new and vitally important field of telecommunications. Specific interests that are at times competitive have to be reconciled with the national interest; and national interest has in turn to be balanced against the need to ensure an adequate return on investment by the shareholders of the corporation. This legislation, I am confident, achieves these aims.

Once in operation the domestic communications satellite system will constitute a project of which all Canadians will be proud. We will have blazed a trail both in what we are doing

and in the way that we are doing it. Above all, it will be a project that will help to knit together more closely this country and to narrow the gap in the differences in living standards between those Canadians who live amid the rigours of the frontier and those who live amid the comforts of the cities. In essence, the domestic communications satellite system will reflect, and will help to fulfil, the substance of confederation.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, may I begin by extending my congratulations to the minister in his new robes as Minister of Communications (Mr. Kierans). I should like to thank him also for his courtesy in providing me with a copy of his speech which I have followed with great care. My colleague on the right says that the minister did not send it by mail because I got it. That is the kind of unkindness that would never come to my mind.

I want to assure the minister that it is my intention to speak briefly. Perhaps this is so because there are things in the Post Office Department to which he should be giving his attention, and I do not want to delay unduly the passage of this legislation. If I were as nasty as the editors of the Winnipeg *Free Press* and the Oshawa *Times*, I might suggest it would be a good thing for the Post Office to involve my friend the minister in communications for a while. But I would not go along with that at all.

I want to congratulate the minister in a general way for bringing forward this measure. He is right; it is very important. He is right also that many of us have been asking him about it for a long time. However, I was not quite sure he was right when, with the natural pride of legislative paternity, he suggested that the corporation was ahead of time. I believe in fact that it is a little behind the times. His colleague, the unofficial minister of science, the President of the Treasury Board (Mr. Drury), declared in March of 1968 that the expectation was that this bill would be ready last fall. To that extent the present minister is running behind the hopeful forecasts of the President of the Treasury Board.

There is much to which one might react in this very interesting speech. I was moved by the minister's concern for the communication needs of the people who live in the remote areas of our country, and the thought went through my mind that in certain remote areas of the country the same minister is quite capable of closing down post offices, telescoping rural deliveries and, thus on terrestrial levels slowing down the process of communications. I was impressed also when he indicated that the proper way to proceed was as he mentioned at page 5 of his statement. He said that we can afford neither to bite off more than we can chew, nor, by being too timid, to totally lose our taste for competition.

At that moment he sounded like a Progressive Conservative—cautious, yet forward looking. I was deeply moved when he spoke about the opportunities which this corporation gave Canadian citizens for investment. I wondered if the Canada Development Corporation, which has taken a bow but never gone up the aisle these many years, was in fact going to emerge in a new form, and that through this opportunity the dreams of his dear friend, Mr. Walter Gordon, would find expression in this particular way. We will see later on, as we hear several more speeches from the throne, whether or not in fact this is to be the case.

I am impressed by some of the figures which the minister has produced. I never thought that he would go for a compact instead of a Cadillac. I hope that this is not short range economy and long range folly. This is an aspect we will have to look into a bit more fully.

I note certain deviations from that stern certainty which characterizes the minister when he describes the future use and the dates of development of the various channels. With regard to the whole bill, I suffered the kind of pangs which do not usually trouble me, and these were procedural ones. I wondered if in fact we were not dealing with a measure which should not be dealt with in the terms of this particular item. We do not have in this parliament a very long record of hybrid bills. The British have such a long tradition, and in fact the standing orders of Westminster have a place for hybrid bills. It would seem to me that we are dealing with something which would fit all the requirements of a hybrid bill or perhaps, since the minister is moving in scientific circles, I should say which would fit within the parameters of a hybrid bill. This bill combines the private and public sectors and might properly be treated in a somewhat different way from that which is ahead of us if this particular stage of the bill carries.

A hybrid bill is a public bill which affects private interests in such a way that if it were a private bill it would, under proper procedure, require preliminary notice to be served on affected parties. This bill has many of the

characteristics of a private bill, since it does affect the interests of specific individuals or corporations as distinct from all individuals or corporations of a similar category. If I were a procedural expert like my colleague in front of me I would get off into quite an orbit on this, to use the appropriate terminology tonight. But I do not want to get above my depth, so to speak. However, I am wondering if the minister might consult his advisers in this field, men learned in procedure like the minister from Nova Scotia who is a very able parliamentarian, and reflect upon the value and virtue of regarding this piece of legislation as a hybrid bill. It is clear that what we are setting up is not a public corporation. It is not owned by the Crown on behalf of the public, and therefore it is not a public corporation but rather a private one.

Therefore, some of the procedures followed with regard to private legislation should be considered and conceivably invoked. If this is declared a hybrid bill, of course, the bill would have to be adequately advertised. Second reading would be followed by referral to a special committee of the house or of both houses, and full opportunities would be given to members of the public, the third sector to appear before a special committee.

• (8:20 p.m.)

I do not intend to press this point because I expect to receive an assurance that in the standing committee every opportunity will be given to allow interested people to present their views on this important and, in many ways, unique piece of legislation. I agree with the minister that this is a very complex bill. It is a lengthy bill. It is confusing, and sometimes it is contradictory. I was brought up to appreciate good English rather than legal English and this always places me in difficulty when I start to read the statutes. I find that schedule B is one of the most massive omnibus sections I have ever encountered. It seems that everything which had not been thought of earlier has been dumped into this omnibus schedule. Many of the things I thought lacking in the statute I later found in B. So, it is extremely important that this bill be given close scrutiny in the committee.

It is clear already that one section of the tripartite group is not as happy about things as the minister's speech would lead us to believe. I refer to the common carriers. They were in Ottawa not long ago and I read in one of the great newspapers in the land, the *Globe and Mail*, that they expressed certain reservations about this bill. I should like to read some of the comments made in an authoritative article written by Terrence Belford on the day following this meeting.

> Trans-Canada Telephone System is not happy with some parts of the federal government's domestic satellite bill... The working of some clauses in the bill and the implications of others, have prompted the system to act.
>
> System officials have held discussions with the federal Communications Department and have received verbal assurances that some changes may be made.

I was surprised at the limited nature of the changes to which the minister referred tonight. Many things were brought up. One spokesman pointed out that there is no definition of "common carriers"—just a list. Incidentally, I should like to congratulate the minister upon adding the Island Telephone Company, I myself noticed the omission on the first day.

An hon. Member: No causeway, but telephones.

Mr. Macquarrie: With all his faults, the minister is not always wrong, and that was a good move. The report states:

> Mr. Krupski presented the system's view: "We could not really be part owner and be on the board of a company which is in direct competition with us. This has to be made quite clear and it is not in the bill.
>
> We feel that interpretations should be reflected in words. There is no disagreement in principle, I am sure, but the bill does not reflect the apparent agreement.

So he believes that something which is apparent should become linguistic, and this is not really an unfair suggestion. He ends by saying:

> I'm sure the government will be very co-operative and consider our questions in this matter, but where we go from there I'm not too certain. It depends on what agreements we can reach with the government.

So all is not sweet harmony even at this stage as far as the common carriers are concerned. I hold no brief for the common carriers although the minister, in his other role as Postmaster General, might well associate with that body and learn something from them. As he says, they have established a fine record. They are improving the service and lowering the cost. Whereas he, as Postmaster General—we all know what he is doing. Service is deteriorating and costs are increasing. So perhaps some cross-pollination with those carriers might not be a bad thing. In any event, if the common carriers, experts in this field

with whom the minister has had many discussions, are prepared, having seen this legislation, to say, publicly what they obviously have said to the *Globe and Mail*, I am wondering about the public with whom no consultations have taken place. For this reason I come back to the importance of broadening the area of testimony and consultation in the committee. Again, I suggest that this should be regarded as a hybrid bill.

The potential shareholders will surely have many inquiries to make. For a long time some of us have been asking about the MacIntosh report. Here is a very competent man, an economist, a scholar and a banker, who has looked into this whole question. We expected to read what Dr. MacIntosh thought. Now we find that his report is not to be made available. But, surely, he will come before the committee, and allow Members of Parliament, the public and potential investors to draw upon his incomparable knowledge and thorough research so that all may better understand this important piece of legislation. This is one thing to which I am looking forward. I am very anxious to hear from Dr. MacIntosh partly, perhaps, because I am not at all statisfied by the reasons given for not revealing his report.

Although I planned to make only a cursory set of comments there are some points which come to mind. First, the bill strikes me as one which gives immense authority and power to the government, to the minister. As I read it over, every so often I ran across something like this: "the company shall not, except under the direction of the minister—" do so and so. And when I finally came to the clause setting up the board of directors there seemed very little left for the board to do.

Mr. Speaker, there are many boards of directors of companies operating with great success in this country which would not countenance for a moment the limitations placed upon the board of directors here. In this case, directors are circumscribed in so many ways that it seems they do not have the ordinary discretionary powers usually given. I wonder, too, just what is to be the role of parliament in reference to this company. What will the place of parliament be when the company, like the satellite, is launched? Will there be even the kind of tenuous association we have with the Canadian Broadcasting Corporation? I was impressed by the statement that it is not to be a Crown corporation. It is to be something different. It is not to be an agent of Her Majesty or a Crown corporation under the meaning of the Financial Administration Act. It is, then, to be something else—something which we must analyse.

• (8:30 p.m.)

I was interested, also, in the potential role of the provincial governments, if any. This satellite company will be involved in the management of an important educational vehicle, if I may use that word. I do not know whether it is quite so simple as the Ministers of Education think. They seem to believe that a satellite is like a blackboard in the sky; nevertheless, it will have educational opportunities and ramifications. Will the provinces feel that this might be an area of functional federalism? Might it appear, as one looks over schedule A and sees the list of approved telecommunications common carriers noting that some of them are in fact owned by provincial governments, that we will have a situation where some provinces get a voice indirectly, or a piece of the control, which is denied other provinces? Are we building in here a source of future irritation and misunderstanding? I think this question should be reflected upon too.

The minister commented that the proportions to be held by each of the three could not be set forth precisely. While I have the greatest respect for his business success and competence, I find myself not quite persuaded that it would not have been wiser to be more precise and definite. The minister indicates there will be a rough range, and that there will not be much deviation therefrom. It would seem not too difficult to declare that a certain percentage will be held by one group and another percentage by the other two.

Surely, it is not impossible to write such a provision into the legislation. Surely, in the discussions with the common carriers some rough calculations must have been made. And surely from those rough calculations it would not be too difficult a step to set out some precise percentage in the legislation.

I have been reading the projected costs, I sometimes felt endlessly over these many months, and the minister has his figures down pretty compactly. I had read nothing before that led me to believe that his figures, even for a compact satellite, were in actuality likely to be realistic. I notice the minister is not taking up the option of a United States built model at the kind of rate that no Canadian automobile purchaser would ever get, namely a better vehicle at a lower price!

I am not saying that I would argue with the minister about that. I know there are advantages, and I think important advantages, especially in the realm of industrial innovation, in putting up our own satellite. But I am wondering—and I got no inkling from the minister's speech—how far we are going with this technological nationalism. Are we going into the field of doing our own launching? I realize people knowledgeable in this field recently suggested this could indeed be done, and perhaps there are also opportunities for industrial innovation in Canada if we do move into that field. I do not want to oversimplify a field that I do not find simple by any means, but perhaps some of the arguments that apply to the vehicle itself might well apply to taking a look also at the launching process.

I am still wondering what the cost is going to be to the Canadian people. Will it be $30 million, or $70 million? What is the involvement of the government of Canada both in control and in cost? This is an important venture. I heard the minister on one occasion liken it to the building of railways, and when he did that he frightened me a little because I know what happened in this country as past governments became involved, voluntarily or otherwise, in the railway building process. I looked back over *Hansards* of some years ago to read about figures produced by ministers from the same party as the Minister of Communications indicating the involvement of the Canadian government in the building of railways, and these were very, very minor compared with the actual bills which came in some years later.

After all these months of study and consultation, and despite the too frequent areas of flexibility and uncertainty in the minister's speech, I hope that we do know where we are going in this field. I hope this project will not be another *Bonaventure* or National Centre for the Performing Arts. To have a Canadian satellite is worth a lot. It is worth a lot to stimulate Canada's scientific and technological initiative, and I think the people of Canada are prepared for that. There is a general feeling in the country that this is a move that we should make. But let us have a reasonable degree of confidence that this time the figures are realistic and that we are not heading down a path that will prove far, far more costly than we thought when we entered upon it. Therefore, I appeal to the minister in this whole process not to devaluate the aspect of cost that is involved.

The minister also mentioned the question of majority shareholding. I read in the Ottawa *Citizen* this afternoon that the hon. member for Selkirk (Mr. Schreyer) was going to bring this up. I also read what the minister was going to say. However, there is no indication that I was going to say anything, and if this happens to me again I will cut off my subscription! I am not convinced that 51 per cent would not have been a workable, reasonable, indeed proper figure.

I am interested, too, in some of the things the Governor in Council can do under this bill. Indeed, the common carriers have referred to this aspect. The Governor in Council may delete the name of any corporation from schedule A on the ground that the corporation is no longer an approved telecommunications common carrier. However, I can find nothing in the bill that provides any avenue of appeal against such decision. Can these corporations be ticked off as easily as that? Is there a comeback? Clause 44 (4) provides no appeal, either; there could be some pretty high-handed operations here. These are matters on which I want to hear more elucidation.

One aspect of the legislation that disturbed me was the lack of regulatory authority. The minister did touch on that in the latter portion of his speech when he said that if the satellite were in orbit and operating now, the Radio Act would provide the necessary regulations. I wonder what Mr. Pickersgill will say when he reads that. As our legislation stands now, he might have the lingering thought that he has a role to play there too. I think that here the legislation is not as thorough as that which was passed in the Congress of the United States setting up COMSAT. I know we do not have a body quite like the F.C.C. But, I am impressed with the thought the people to the south have given to this matter. Surely, the regulation of a body such as is to be set up is of the utmost importance. We will watch this aspect as well. The silence in the bill on this regulatory aspect has caused me some anxiety which has been alleviated only in a limited way by what the minister said tonight. I am glad he said what he did on this particular aspect. There is much in the bill which makes it look as if the corporation or company—to use that expression—is a business. It is not a crown corporation and not a government department. It is a business. It strikes me that it is too much like a business run by the cabinet or the minister.

• (8:40 p.m.)

If we opt for public ownership, and I presume the hon. member for Selkirk (Mr. Schreyer) might be sympathetic to that point of view—

Some hon. Members: Hear, hear.

Mr. Macquarrie: —well and good. I am not so narrow minded or blinded by historic facts to say that public ownership is always bad. It is not. On the other hand, sometimes it is atrocious. But it we opt for public ownership and public control in this area, why not go in through the front door instead of through these devious regulatory devices which take us in through the back door? Perhaps this mixed economic marriage is a good idea. I confess that I think it is. I think it would be very foolish not to draw, in any joint participation, on the expertise and knowledge as well as concern for advancement which has been shown by the private sector in this field. Yet, I wonder if it would not have been smarter to draw up the terms of the marriage contract more precisely? Too many things in it are not clear and could, in fact, be dangerous. So, I think as this bill is scrutinized it will be in the interests of the country and of our telecommunications advancement, which means a great deal to all of us, to bring in amendments that are a good deal more far reaching than those mentioned by the minister. That, I think, is why we must scrutinize this bill, carefully in committee.

This is a tremendously important piece of legislation, and the minister is quite right in saying that in many ways it is unique. It is too easy to be excited about the glamour of it all, to be carried away by a sort of sophisticated scientific nationalism and to say that we will get something up there, and that is all there is to it. There are too many technological ramifications that we have not examined. Tremendous problems are associated with this kind of economic entity, if I may call it that, and I think the minister will benefit from the views of people in the field. Already he has run afoul of the common carriers, and those problems must be worked out. There are other problems here. I think if he is able to show some degree of flexibility, if we find in committee that there is no heavy-handed partisanship, if people generally recognize that this is a complex area from which we all may benefit immensely and if there is an agreeable attitude toward improvements no matter from what source these suggestions come, then there may emerge a bill which will be worthy of the things this corporation will be charged with directing for years to come.

I share the minister's enthusiasm for our role in the telecommunications field. I agree with him in what he says about the contributions of Canadian men of science. He has some able and most excellent people in his department; they are people who have built up a reputation across this country and beyond this country. There are people in private industry in this field in Canada whose reputation extends far beyond Canada and I think it is wise to have them all working together. No effort ought to be spared to make that working relationship harmonious and meaningful.

At this stage of the bill I will say no more than to express generally my approval of this advance, to wish it well, and to suggest that no effort ought to be spared to bring the greatest improvements possible to this legislation. In this way we may have the very best type of controlling body presiding over our telecommunications satellite, the launching of which will bring a feeling of pride to all of us. We do not want it launched with any spirit of bitterness or any feeling that certain things could have been done better. I hope we will make a concerted effort to transcend partisanship, to transcend bureaucratic empire-building and to make our very best contribution to this most important project.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, ever since word went out that the government of Canada was thinking of establishing a space communications satellite, I have supported that notion enthusiastically. I supported it for many of the reasons the minister enunciated this afternoon and this evening when he spoke in support of the legislation. The minister has told us why we must go ahead with all determination and with all the benefits of our research and available expertise in the setting up of this communication satellite corporation. It is hardly necessary for me to repeat or emphasize what he said. Certainly, it is evident that by establishing a satellite system we shall enable industry across this country to communicate more efficiently and with more sophistication. The satellite will be a tremendous boon to the remote areas of the country and particularly to the northern frontier of Canada. It will also be of service in providing channels of communication between different parts of the country in both Canadian official languages. For all these reasons we support the notion

that we should go ahead with the establishment of a communications satellite corporation.

• (8:50 p.m.)

As I said about a month ago, Mr. Speaker, it seems to me important we should want to assist the Canadian scientific community to develop the expertise connected with space, with communication by satellite, and that we should be taking an important step toward giving our scientific community something concrete to work on, something that will give that community an important place in the world.

It is a sad commentary on human history that in the past, whenever there was a surge forward in the development of new technology, it always seemed to be at a time of war. Man's imagination should not be so limited. His capacity for progress should not be so limited that progress can take place at an impressive rate only at a time of war. Here, today, we have an opportunity to do something concrete in the way of giving our best brains a chance to work on a project that will be of benefit to the country for diverse reasons, all of them important, and at the same time assist in the forward movement of technology.

But having listened to the minister say this afternoon that this bill to establish a Canadian communications satellite corporation has profound political and sociological implications, and I certainly agree it has, and having heard him say some three weeks ago when speaking on his estimates that the communications industry is the central nervous system of our society, one can only be utterly amazed with the kind of bill he has asked us to endorse. Two words characterize this legislation. It is a sell-out of the Canadian public interest.

If the minister is correct that what is involved here has profound political and sociological implications, and if the industry involved is the central nervous system of our society, how can he justify putting this corporation under a form of ownership that is hybrid, that is somehow bastardized so that one does not know whether it is public or private or what strange combination of both it may be? Even the minister is not able to tell us exactly in what ratio the public or the common carriers will be represented in the ownership of this corporation, or to what extent shares will be taken up by subscription.

I had great admiration for the minister's actions when he was a provincial minister in Quebec. At that time he said it was important for a province and its people to develop a firm economic base. He spoke in favour of the idea that the steel industry in that province should be given an impetus by the formation of a publicly owned corporation, Sidbec. I am sure he, himself, will recall other instances where he came out in favour of public ownership. But if ever a case could be made for public ownership it can be made for this sector of our society, the communications sector. However, apparently the minister has had to make one of the many political compromises that are necessary and has agreed to sponsor this bill which will give the Canadian public perhaps 30 per cent of the ownership of this corporation that is to be the central nervous system of our society.

The minister will reply that provision is made for the public to enter into ownership by simply buying up shares. He seems to take pride in saying that no single purchaser will be allowed to buy more than 2½ per cent of the shares of the corporation. Presumably the implication is that this will provide for a wide, diffuse ownership, ownership that will not be concentrated in the hands of a few.

But when one pauses to reflect, it does not take one long to see that perhaps 2 per cent of 3 per cent of the Canadian population is all that is involved, and that this provision is of no practical use to 95 per cent of the population. Sometimes I am not sure whether I am a social democrat or one who favours people's capitalism. If it is the idea of people's capitalism that motivates the minister to write in a provision that ownership of shares shall be restricted to 2½ per cent per individual, that is still far from ensuring that there will be wide, diffuse ownership by the general public.

Without fear of exaggerating one can say that the outcome of this legislation will be that approximately 2 per cent to 3 per cent of the Canadian public will derive financial benefit. This will be growth stock. There is no question about that. It is one of the glamor stocks. The minister himself used the word glamorous in reference to the corporation, and 2 per cent to 3 per cent of the Canadian public will benefit at the expense of the general public. It would be far better if this important corporation were established as a publicly owned institution under the aegis of the Crown.

Two or three weeks ago we advanced the proposition that since a role coming under provincial jurisdiction was involved in the field of communications, and since educational television somehow impinges on this whole matter of communications, then for reasons of constitutionality plus better dominion-provincial relations it would be worthwhile to consider the notion that this corporation be established as a publicly owned Crown corporation. Fifty-one per cent of the shares should be owned by the Crown in the right of the federal government, and the balance allocated proportionately and appropriately to the Crown in right of the several provinces. If the minister likes new ideas, and he is the sort of man who does, I believe he would be doing Canadian unity a great tangible service if he would pause and consider this proposition.

• (9:00 p.m.)

If there are some sound logical reasons that this proposition is not feasible, let us hear them. In my opinion, it is inexcusable to place in a position of increased power and privilege the common carriers, the major privately owned corporations, many of whom have exercised influence and power in this country disproportionately for a long time. Let us not pretend we can somehow rely on the process of governmental regulation to protect the public interest. For years I have been suspicious that government regulation was a highly bureaucratic and expensive way to proceed but that sometimes it was necessary if there was no alternative way to protect the public interest. A few weeks ago I had occasion to speak to a man who for a period of many years was an economist with the F.C.C. of the United States, a man whose experience certainly made him qualified to speak. The distinct impression I got from him backed up my suspicion that regulation is an expensive way to proceed and should be avoided if there is an alternative available to protect the public interest. I suggest there is in a case such as this, and that is public ownership.

The way this government has chosen to proceed will be expensive. The government will be sharing the revenues from this corporation with the common carriers who have a vested interest. Their relationship to this corporation will be in the nature of vertical integration because presumably they will lease or rent services from this satellite system and in turn retail the services to their own customers. If that is not vertical integration, then I do not know the meaning of the term. It is vertical integration. I suggest this is a phenomena which we should choose to discourage rather than encourage. So, we are extending to the common carriers, who as I say for a long time have enjoyed economic power and privilege out of proportion in this country, the right to exercise more of that type of power. They will enjoy the net revenues of this corporation. It will be necessary to regulate their participation. This means it will be necessary to hire quite a number of people to staff the regulatory agency. The public taxpayer, in the end, will be the loser.

It seems to me that we might have benefited at least somewhat from the experience in the United States. A few years ago Congress enacted legislation to establish COMSAT which in turn will be a major shareholder in Telesat. I recall distinctly the minister this afternoon saying that communication, in its international aspect, should be owned and controlled by the national government representing the people. I am sure he said something to that effect or very close to it. The fact is, however, that while in some fields of communication the international organizations are owned and controlled by national governments, in the field of telecommunication by satellite the international organization is owned by a giant privately owned organization. We hope the world trend will be away from that position and somehow the necessary changes will be made so that international telecommunication in the future will be owned and controlled by an agency which in turn is owned and controlled by the representatives of the people.

I believe there is a growing body of opinion in the United States that a mistake was made in the first place when ownership of an industry as important as telecommunication by satellite was allowed to be concentrated in the hands of privately owned giants. I should like to mention something about research and development. Because telecommunication by satellite is a new field, obviously there will be a large program of research and development before there is sufficient expertise and technical competence to go ahead with the actual launching. The minister tried to use this as an argument for private ownership. He says there exists in the common carriers in Canada a pool of expertise upon which the government would be foolish to turn its back. No

one suggests for a moment that the government should turn its back on expertise wherever it exists in this country. The government has a pool of expertise as well in organizations such as the Defence Research Board and the National Research Council.

Let us not forget this very important point. All the common carriers and some of the other companies in this country such as R.C.A., Northern Electric and Bell Telephone which have developed expertise in this field of communication by satellite have done so oftentimes with the help of public moneys issued by way of grants through the Department of Industry for the purpose of science research. No one is complaining about that. There is a problem, however, in respect of a company which is a subsidiary of a United States parent. When that company obtains grants from the government of Canada to engage in research and then develops expertise or a new technique, a situation may arise. I am sure the minister will not deny that in the past there have been instances where the fruits of the research which has been financed by public money have been siphoned out of Canada through the process of the parent company deciding it would export a particular product or technique to some foreign market. In such a situation the subsidiary operating here, and which has been doing so with Canadian public money, has been frozen out by a policy decided at the central parent headquarters.

What guarantee do we have that a similar situation might not arise in respect of this corporation? Some of the companies which the minister has invited into partnerships in this corporation are either directly or indirectly in liaison with United States corporations in the communications industry. I would be surprised if the Canadian public is not taken for a bit of a ride in so far as research and development with public funds is concerned. Therefore, it would seem to me that the public interest would be better protected if we were to spend money developing the expertise through the medium of a corporation that is financed, owned and controlled by the people of this country, that is a Crown corporation. I do believe, although I have no way of proving it, that if the minister were able to act on his own judgment he would not have proposed legislation such as is contained in Bill C-184.

• (9:10 p.m.)

There is no point in becoming vindictive about this. The minister is a member of the governing team, the cabinet, and as part of the normal process of political compromise I suppose it must be said that the minister is trying to make the best possible arrangement. Let me say that if this were only a small and unimportant matter one need not become indignant about the fact that it is proposed here to offer to private ownership something that should really, in the public interest, be kept under public ownership. This is not something small or unimportant.

In conclusion, I should like to say that what is at stake here is, in the minister's own words, something vital to present and prospective Canadian unity; something vital to the solution to problems which plague confederation today; something vital to the Canadian north; something vital to the frontiers of our country, and certainly something important and of interest to remote settlements from coast to coast whose industries today, as we all know, are dependent on rapid communication.

I cannot disagree for one second with the minister in his statement that this is indeed our central nervous system and that his department is responsible for administering to the needs of this system. Therefore, it is completely unacceptable that this central nervous system should somehow not be controlled by us. I find that rather strange. For that reason I wish to move, seconded by the hon. member for Vancouver-Kingsway (Mrs. MacInnis):

> That Bill No. C-184 be not now read a second time, but that it be resolved that in the opinion of this house consideration should be given to establishing the proposed Telesat Canada as a Crown corporation, with provision for participation therein by the governments of the provinces as well as by the government of Canada.

The Acting Speaker (Mr. Béchard): The Chair would like to take this amendment under advisement and will render its decision later.

[*Translation*]

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, at the outset I should like first to congratulate the minister. In his statement he provided us with many interesting details. I should like to commend him also for introducing this measure in the house so that we may somewhat appraise the policy of the government in this field of such significance for all Canadian people and which provides us with some indications as to what is in the best interests of Canada and the Canadian people in the field of satellite telecommunications.

Unfortunately, upon reading Bill C-184 as introduced by the government, we are somewhat puzzled as to the intentions of the government and the true policies which it intends to pursue in this field.

With regard to the introduction of this bill, if we go over its background, we realize that private enterprise, especially the sector concerned with communications and satellite communications is greatly interested in the establishment of a telecommunications network which could serve Canada as a whole.

Among those who claim to be the promoters of such a project, mention must be made of the Transcanadian Telephone Network which includes the common carriers mentioned in Schedule A of the bill. To those telephone service carriers engaged at the present time in telecommunications, we should also add the CN-CP telecommunications, a joint concern of both railway networks. The reasons which prompted those carriers to establish a Canadian satellite telecommunications system are set out in a brief which was presented in May 1967. The main reasons for promoting the development of such a network were to improve the ground communications system in Canada, so as to provide more services to all parts of Canada in fields of television, radio, telephone and the transmission of computer data. All those common carriers claim to be most suitable to build, develop and own ground facilities. They are also ready to take upon themselves the responsibility of the "space" aspect of the program. They claim to possess everything that is required in the administrative, financial and technological fields in order to carry out successfully such a project.

In that first brief, the above-mentioned common carriers add the following:

> Just as they have done as regards the other components of the Canadian integrated communications system, the telecommunications common carriers are ready to finance the building of a satellite communication system and to operate it under government administration.

In July 1967, the National Research Council of Canada, taking into account the Special Study No. 1 of the Science secretariat, better known under the name of "Chapman Report", called for the drawing up and the carrying out of an overall space program for all Canada, and the appointment of a board of directors, the members of which would be selected from industry, the universities and the public service of Canada. The Council was advocating in a way the creation of a corporation or a

body responsible to a minister appointed by the Crown.

It was in March 1968 that the former Minister of Industry and Commerce (Mr. Drury) announced the government's intentions in the white paper entitled "A domestic satellite communication system for Canada".

The white paper came to the conclusion that it was necessary to create a satellite telecommunication system, since it was the most economical, in order to serve all the Canadian people.

The Canadian government also stated that all things being considered, it was advisable that it should take part in the creation of a corporation that would build, own and operate the satellites as well as the ground facilities of such a system. It also invited private enterprise to participate in the establishment and operation of such a corporation.

Following the presentation of that white paper, the Canadian telephone system and the CN-CP Telecommunications presented new "Considerations and Recommendations". In rather plain language, the brief described their resources and competence and added that such a system would perhaps never be economic.

On the other hand, the brief added that it would be necessary to create an integrated system "without using public funds."

Such are the misgivings and the objections of the telecommunications common carriers. They say on one hand, that the system can never be efficient and, on the other hand, that they are not in favour of committing public funds to the creation and to the operation of this system.

However, the authors of the brief accepted the invitation of the government and finally accepted the government co-operation in a domestic enterprise of satellite telecommunications, in order to protect the public interest and to co-ordinate the international relations concerning such a system. Finally, they say that the corporation for telecommunications by satellite should be jointly owned, according to the member of shares and that the telecommuniction companies should participate fully with the government in the ownership of the Corporation.

• (9:20 p.m.)

It is this last aspect of the question set out at length but not very clearly in Bill C-184 I should like to deal with in the few minutes remaining to me, because it seems to us that this is really an essential question, that is, the ownership of such a system, the role of the

government, that of the companies, as well as the role of the approved telecommunications common carriers listed in Schedule A.

Does the Canadian government or the Finance Minister (Mr. Benson) wish to acquire and to hold the majority of the shares of the Corporation? What will be the participation of the agent corporations? What will be the part of the shares which will be developed to the approved telecommunication common carriers? Those are the questions which are unanswered in the bill now under study.

Other important questions are raised as to the membership of the board of directors of the Corporation.

Section 13 provides that:

> —any Canadian citizen ordinarily resident in Canada is qualified to be a director of the company elected by the approved telecommunications common carriers who are holders of common shares of the company—

If he is not an officer or director of an approved telecommunications common carrier.

As for the board of directors, who are the the president and the vice-president or vice-presidents, it is specifically stated that these can be neither a director of the company or a shareholder of an approved telecommunications common carrier.

But to what extent do the shareholders of these approved telecommunications common carriers have the right to hold shares in the proposed telecommunication corporation? How can we be sure that the percentages proposed by the minister will actually be respected with regard to the participation of the federal government, of the approved telecommunications common carriers and of the public?

I ask all those questions for the following reasons: several approved common carriers, the names of which are listed in Schedule A, are owned and controlled by foreign interests. Now, it is possible that by purchasing shares in the Canadian corporation for telecommunication by satellite, they might finally end up, if not by controlling the system, at least by impeding its activities, as is the case with the International Telephone and Telegraph, in the COMSAT, in the United States.

For instance, the British Columbia Telephone Company is under the control of the Anglo-Canadian Telephone who holds 51.1 per cent of the common shares. On the other hand, the Anglo-Canadian Telephone is controlled by the General Telephone & Electronics, from New York, which owns 82.3 per cent of the shares belonging to the Anglo-Canadian Telephone.

Moreover, the Quebec-Telephone Company is under the control of the Anglo-Canadian Telephone which holds 53.07 per cent of the shares, since July 1966.

I also want to point out that another common carrier, the RCA Victor in Montreal, which has submitted to the government a brief entitled "A Canadian satellite which will meet the needs of Canada in the field of domestic communications", is also a concern entirely controlled by RCA of America.

There are many other questions concerning the technical aspects and the impact of the system. For instance, the minister told us in his statement, that there will be channels for French language stations and other channels for English language stations. Will there be other channels available for educational programs? Did the government think of selecting a channel for the Quebec government for the purpose of educational programs? It should be kept in mind that education is the responsibility of the provinces and that the latter should have on their own territory the required facilities, for educational programs.

We also want to know if the Canadian corporation for telecommunication by satellite intends to compete with private enterprise in the field of telecommunications, of commercial advertising, for instance, as COMSAT did in the United States.

Other questions remain unanswered with regard to the cost of the facilities to be built, with regard to the satellite itself as well as with the ground facilities. Have consultations been held between the government and the transcanadian telephone network companies with regard to costs and estimates? Is it true that, contrary to what is being claimed with regard to the transmission of television programs between Europe and America, it would be preferable to install a cable instead of launching a satellite?

Here is what one could read in the *Congressional Quarterly* dated March 15, 1968 in this connection, and I quote:

> Although no telecommunication enterprise is opposed to the construction of a satellite in itself, they claim that it is far more important to maintain a diversity of communications through improved cables and ground communications technology.
>
> The cable advocates challenge the COMSAT argument to the effect that satellites are less costly than cables. In a letter addressed to the Federal Communications Commission, International Telephone & Telegraph Communications state that the total cost of a cable between the United States and Europe would amount to some $260 million over a period of 25 years, whereas the investments in Intelstat IV, including related ground facilities, would cost $1.2 billions over a period of only 7 years.

In addition, the supporters of cable systems are also of the opinion, based on their experiences, that satellites do not perform as well as cables in the transmission of telephone conversations. For instance, with a satellite located 22,000 miles above the earth, there is a time lapse of 0.6 second between voice emission and reception. Although this is of no consequence in the reception of television programs, it is said that this delay of $\frac{3}{5}$ths of a second in the transmission of telephone conversations overseas is most annoying.

These, Mr. Speaker, are the few observations I wanted to make, and questions on which I should like the government to give us some information when this bill is studied in committee.

[*English*]

Mr. Speaker: Before proceeding further with the consideration of this bill, I should like to point out that a short while ago an amendment was proposed by the hon. member for Selkirk (Mr. Schreyer). The Chair has some doubt whether it is in order. I wonder, therefore, whether at this point some hon. members might enlighten the Chair on whether the amendment should be accepted. I might say that the Chair feels it is not, properly speaking, a reasoned amendment, which is the only guise under which this type of amendment could be moved and accepted. The hon. member for Selkirk might want to indicate to the Chair whether in his view this type of amendment ought to be accepted at this time.

Mr. Ed Schreyer (Selkirk): As Your Honour knows so well by now, I am not an expert on procedural matters. However, this amendment was drafted after considerable consultation. It was felt that it was in the nature of a reasoned amendment in that it was proposing to refer the subject matter of the bill for further consideration. It is my understanding that at this stage of the proceedings on the bill it is not possible to offer amendments on any of the specifics but rather to offer amendments having to do only with the essence of the bill. I submit that this is what we attempted to do, and quite frankly I await Your Honour's ruling with interest.

• (9:30 p.m.)

Mr. Speaker: If there are no further comments on the point, I believe that a ruling should be made at this time. As I indicated a moment ago, I have serious doubts as to the acceptability of this amendment from the procedural standpoint. The hon. member himself has said that this amendment purports to be a reasoned amendment. May's seventeenth edition, at page 527, lists the conditions for a reasoned amendment and, in particular, paragraph (1) refers to the fact that such an amendment would have to be declaratory of a principle in opposition to or differing from the principles, policy or provisions of the bill. I think that the amendment proposed by the hon. member does not follow this requirement. It appears that the amendment as proposed is not declaratory of a principle but rather proposes an alternative scheme. It is, in my view, in the form of a substantive motion which would have to be moved with the usual notice. In view of the circumstances, I doubt very much that the amendment can be accepted. The hon. member might give the matter some thought. The debate will proceed, and there may be an occasion later on to move another amendment which might perhaps conform a little more to my interpretation of a reasoned amendment.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have the pleasure, tonight, to make a few remarks, following the introduction by my colleague, the hon. Minister of Communications (Mr. Kierans), of a bill establishing a corporation for telecommunication which will be called "Telesat Canada".

First of all, I must say that the establishment in Canada of that corporation and of an adequate satellite telecommunication system is extremely important for the development of northern Canada. In recent years, the officials of my department as well as my predecessor, the present Minister of Public Works (Mr. Laing), have followed such development very closely and have participated in the most efficient way in the achievement of that important project in the field of communications in Canada.

Mr. Speaker, we know that as minister of Indian Affairs and Northern Development, I am particularly responsible for those people who live in the northernmost parts of Canada and that the role of telecommunications are of the utmost importance in this regard. In fact, on several occasions, when I was touring the North, I have been able to see how painful the problem of isolation can be for the people of those areas, specially for those technicians who came there from the South these last few years to help develop those areas and the abundant natural resources found there.

In the North, communications are very important for the population, because this telecommunications system will provide the people living in these isolated areas with a better education system. This new communications system will achieve a bringing together of the various communities of the North by giving them the necessary information on what is happening in the Eastern as well as in the Western Arctic regions.

For example, in the Northwest Territories, between the land of Baffin and the northern most tip of the Yukon, the distance is greater than that between the city of Halifax and the European continent. I think that the creation of a telecommunications system will thus be of the utmost importance for the transmission of information to the people of the North.

Another important factor so far as those isolated people are concerned must be taken into consideration: it will give them a new means of recreation. In the South, we have enjoyed the advantage of television for a number of years, but unfortunately this communications system does not exist or is still in is infancy in the North at the present time. The main cities, such as Yellowknife, Whitehorse, and a few others, are close enough to the Alberta or British Columbia borders and can enjoy television occasionally. We are very happy to see that with the putting into orbit of this satellite, this means of recreation will reach not only the white people of the North, but also the Eskimos, the Indians, and the Métis.

There remains an element, Mr. Speaker, which is of great importance for the development of the North: I am thinking of industrial development.

During the last few months, and especially since I have been holding this portfolio, I made eight trips in the North and I realized the difficulties faced by financiers because of communications problems.

For instance, an industry pointed out to me that communications between its mining establishment and Whitehorse were completely inadequate and that it had to spend large sums of money to make up for deficient communications. Moreover, it hoped that a telecommunications system could be established to serve the whole population more adequately.

In some cases, such communications would greatly promote what will be, we think, the most important oil development in Canada.

Hon. members know that a few months ago, an oil-field called Prudhoe Bay was discovered on the northern slope of Alaska, and we have every reason to believe that it is the most important discovery of oil made in America during the last 25 years. The reserves of this geological formation is estimated at about 40 billion barrels of oil, which would be equal to all the known reserves in America at the present time.

As we know that this geological deposit extends to the Northwest Territories, and that there are also very important geological deposits in the Arctic islands, such a communications system will greatly promote the planning of development in the North, because exchanges, discoveries or problems will be known at the same time in the various communities and thus a great deal of money could be saved because telecommunications will make exchanges easy.

• (9:40 p.m.)

Presently, in the Canadian North, the demand is certainly too high in the field of telecommunications to be met by the present system, and I am convinced that the inhabitants of the Northwest Territories will greet with a great deal of satisfaction the establishment of this Corporation, which will contribute to the improvement of living conditions in this area.

The problem of communications in the North has always been a very important one. Over the last few years we have taken a particular interest in technological communications. We have made a great deal of progress in the field of transportation with the use of aircraft and the building of new roads; and for the last few months, there have been indications that great progress will be made in the field of sea transportation with the projects we have launched. I refer specifically to the Alexbow project, which will develop a new technique to break ice in the North, and to the SS Manhattan project, launched by private industry but to which the Canadian government is closely associated.

It will in fact only be possible to make use of those technological communications if there is also a system of electronic communications. As a matter of fact, one of the great advantages, as I said earlier, of this electronic communication system the Minister of Communications is proposing is that it will contribute to a great extent to the development of television and telephone.

This development will also be useful in that it will bind the North together. Over the last few years, we have succeeded in bringing the North together thanks to aviation. However, this is a rather costly method and we have

found out that it is generally officials or industrialists who use airplanes. With an electronic communication system, on the other hand, we shall be able to unite the North, not only as far as its economic development is concerned but also as far as its cultural and social development is concerned.

An adequate electronic communications system in the North will enable the people who live there, the Eskimos and the Indians in particular, to take part in the Canadian life. A few years ago, we granted them Canadian citizenship, but to enjoy this privilege, one must obtain the required information, and thus take part in the development of Canadian life.

Therefore, through a new system of telecommunication, Eskimos and Indians will be able to participate in the Canadian way of life and learn about every aspect of the economic, social and cultural life in Canada. I am sure the people, especially the natives in the North, will be most happy to look forward to the possibility of enjoying radio and television at home.

Another very important and concrete aspect of that new telecommunications system is that it will allow the industrious workers who head for the North and the resources to be developed there, to find life a little easier.

Such modern means, I believe, will enable us to attract the required technicians if we cannot find them on the spot, and to build communities with a new sense of purpose. In fact, while working towards the development of the northernmost areas in America, people will not suffer from isolation and will even be in a position to take part in all aspects of Canadian life.

Mr. Speaker, in conclusion, I wish to congratulate my colleague the Minister of Communications for having proceeded quickly in that field. It has tremendous importance for Northern Canada, for its inhabitants, and especially for the Eskimos and the Indians. For the first time in their whole life, once that system is established, those people will really be in a position to communicate with the other Canadian citizens and to take part in all aspects of life available to us in the South.

Finally, Mr. Speaker, even if the new telecommunications system does not concern my department directly, I must say that it will help unite our whole country through an exchange of communications in both official languages.

If we do experience problems in Canada at the present time, the reason is certainly a lack of communication. Many communities have suffered from a lack of communication with the centre of the country. I refer in particular to minority groups outside Quebec whose mother tongue is French and which have always felt isolated because they could not establish communication with most French-speaking Canadians.

For my part, I had an opportunity to meet many of them. In fact, some members of my family lived in Western Canada and, since means of communications were lacking, they were precluded from keeping some values to which they were devoted, for instance, their own cultural identity. This is why I say that this new telecommunications system will enable French-speaking Canadians throught the country to unite and will give them a sense of participation to that entity which is our country. It is worthwhile to build it. But it is also important to set it up on modern bases and I am sure that this new telecommunications system will enable each Canadian region to understand one another better, to know themselves better and to build a society different from that of our Southern neighbours which shall prove to all nations of the world that it is possible to live in unity while being genuinely different.

[*English*]

Mr. Robert McCleave (Halifax-East Hants): It is very rare, Mr. Speaker, for one minister to wander into the preserve of another, but in the last few minutes the Minister of Indian Affairs and Northern Development (Mr. Chrétien) has done just that to the Minister of Communications (Mr. Kierans). Since communications are what they are nowadays, that is, telephone and telegraph, not mail, we know the reason. The Minister of Indian Affairs and Northern Development is trying to wipe away the sins he committed in Whitehorse only a few days ago. It provides an interesting footnote to the story of the north, a region which can apparently survive anything, including this government.

I hope the Minister of Communications will give us some guarantee when he closes the debate on the second reading of this measure; I trust he will not resort to the powers given him under clause 6 (1) (b) of this legislation where it is stated that the minister shall direct "suitable areas for the launching of satellites."

Knowing the luck he has enjoyed with the Post Office, I fear that if he ever pushes the button on a satellite going into space it will make a short curve, swerve back to earth and

perhaps get us in trouble with the North Atlantic Treaty Organization. On second thoughts, my fears are quelled, because I understand the satellites are not to be launched until 1972 a year in which an important electoral event will take place, and I suspect my hon. friend from Hillsborough (Mr. Macquarrie) will be pushing the button to send those satellites aloft. And, as we all know, the hon. member for Hillsborough is a straight shooter.

Mr. Basford: Dreamer.

Mr. McCleave: We have a unique type of bill before us, one which my hon. friend from Hillsborough referred to as a hybrid bill, that is, a measure somewhere between what we call a public bill and a private bill. It sets up a unique partnership, a partnership between government, the communications industry and the people on a one-third one-third one-third basis, as the minister has said.

I find nothing abhorrent about that proposition. It is fitting that a new approach be taken when dealing with a flexible and fast developing industry such as communications. I should like to point out that the Canadian communications industry is probably the first in the world; at least it is not surpassed by that of any other country, though it may be equalled by that of our neighbour to the south. I hope that no measure we pass in this parliament will hurt an industry which is well established, which has never had to call upon any government for subsidy or subvention as far as I know, which has managed to pay its way and keep well in the forefront of technological change, and which has managed to give good service to the people of Canada while at the same time keeping down charges to its customers. As I say, I hope nothing we do will inhibit the progress of the communications industry in Canada. As a partner that industry should be welcomed into any venture. I hope we can, through government, bring the same abilities to that partnership as they will bring to us.

• (9:50 p.m.)

A few days ago the president of Bell Canada, Robert C. Scrivener, spoke to the Canadian Industrial Management Association, Manitoba division, in Winnipeg, and I should like to put on the record one of the points he made which is well worth noting:

> I would particularly wish to refer to two cases where telecommunications are part of the government postal system—Great Britain and France—as examples of high cost and poor service. I will say that Great Britain has recognized this, and is in the throes of getting its telecommunications completely separated from its post offices. Postal service can't be made better by making telecommunications service worse.
>
> As for comparative costs, using the average wage paid in manufacturing as the unit of measurement, it takes fewer hours of work to pay for one month's telephone service in Canada than anywhere else. The figure for Canada is two hours, for Great Britain four and one half hours and for France 16 hours. In Canada, telephone users pay long distance tolls on a smaller proportion of the calls they make than is the case in any other major country in the world.

I mention these points because I think it is a matter of welcoming, as a partner, a very successful industry indeed. It is a question of welcoming people who do not need policing in what they set out to do, people who have spent enormous sums of money on the technology that is so much a part of the communications scene. I hope our attitude toward them will not be one of regulation but one of co-operation and helpfulness.

This unique partnership does carry with it some elements that I would particularly like to study in committee. I think some provinces and some communications companies are concerned that entry into this new venture may be the thin end of the wedge as far as some form of federal control over their operations is concerned. I hope this will not be the case and that the evidence we will hear will prove it not to be the case.

Secondly, I am concerned and would like more information from the minister on the proposed method of selling shares in the Telesat Corporation to the public at large. I hope this will be done in such a way that everybody will find it possible to participate in the ownership of this new corporation; that it will not be restricted simply to those people who can plunk down large sums of money. If the experience of the Canadian Overseas Telecommunications Corporation is borne out in this field—and I think it will be—this should be a money maker for the government, for the communications companies and for the public who are shareholders. I also hope that in committee the minister will tell us how their one third of the shares will be divided amongst the communications companies.

The hon. member for Hillsborough (Mr. Macquarrie), in a very thoughtful speech, made some points that I should like to echo and re-emphasize. The question of the dealings among the three partners, the question of the fine print, statutory regulations and the

like, all have to be explored. As I have said, communications is the most rapidly changing factor in our rapidly changing times, so it is important that we consider this legislation and consider it well. I myself can visualize the day when satellites in the sky will make obsolete the land lines that are so much a part of our communications industry today. Satellites of such sophistication will be perfected that they will be able to transmit directly to radio and television receivers, even to telephones, without the need for an earth station to intercept signals and amplify them.

The final point I should like to make is that there is an advantage in the government being in this partnership. I do not share the views of those who would make it either entirely publicly owned or set up a crown corporation. Similarly, I do not agree with those who would swing the other way and make it entirely a matter for the communications companies themselves. I think there is a good place for government here. I can see the advantage, for example, of the government's being able to deal more effectively with the problems of interference with the operation of satellites or being able to deal with the problems of electronic garbage cluttering up signals to and from these satellites perched 23,000 miles above the equator. I was almost going to say perched "horizontally up" from Winnipeg, since if you draw a tangential line from the North Pole above Winnipeg you would probably hit this little satellite spang on its metallic casing. "Horizontally up" is a phrase that has been added to the English language during our deliberations over recent days.

In any event, I share the enthusiasm of our communications people as to what this technology is going to bring about. I also share the enthusiasm of the Minister of Indian Affairs and Northern Development (Mr. Chrétien) about what the satellite will be able to do in the way of removing some of the spartan elements of life in northern Canada, and what it will do to bring the two languages of Canada and our great dual culture to all of our people. For these reasons, I support the motion for second reading and reference to committee.

The Acting Speaker (Mr. Béchard): Order; it being ten o'clock, the house will now proceed to the questions on the adjournment motion.

[Mr. McCleave.]

PROCEEDINGS ON ADJOURNMENT MOTION

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

TERMINATION OF PROGRAM "DON MESSER'S JUBILEE"

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, out of orbit and now back on earth, may I say that a few days ago the C.B.C. released its fall and winter schedule of television programs. Most of the programs were renewed but Don Messer and his Islanders were not included in that schedule.

Some hon. Members: Shame.

Mr. McCleave: Having checked with C.B.C. officials in Halifax and other sources I find that the decision, or lack of decision, reposes in the Toronto offices of the C.B.C. What has taken place, sir, for those who are familiar with the inner workings of radio and television, seems very much like the kiss of death for a program that has been good and popular fare for several millions of Canadians over the past decade. I am speaking tonight on this matter because I can sense the flap of the wings of the culture vultures in Toronto and I want to drive them back to their roost before they do in a very fine piece of entertainment. Recently the Toronto group took a perfectly good Saturday program entitled "Comedy Cafe", which I thought excellent, and replaced it with a big brass band from Toronto. Now, I have nothing against big brass bands from Toronto, not even Saturday night; but I thought the Montreal production of "Comedy Cafe" was a great program. I thought particularly that the skit involving an English speaking wife and a French speaking husband showed the problems they encountered in their marriage and was a good way of demonstrating to Canadians the problems that we, in more grandiose but less humorous terms, must deal with when considering matters of national unity.

• (10:00 p.m.)

This appetite on the part of Toronto personages for producing shows in Toronto and not producing them in Montreal, Halifax or Vancouver is voracious and ought to be checked. We cannot doubt the popularity of the Messer group. I recall on July 1, 1967, when the Messer group was touring Canada,

it came here and presided in the gallery. The galleries were packed that day and Charlie, Don and other people of the Messer group were up there watching our performance. I was talking to them outside when a very distinguished political personage came to talk to Charlie Chamberlain. An old lady who was outside came to see the line-up and said, "Who is that person talking to Charlie Chamberlain?" I will not reveal the identity of that political personage except to say he was a great ornament of the party opposite.

Sir, there is a remedy to what is happening. If people want to see the Messer show continue they ought to walk to the nearest C.B.C. station or talk to the nearest C.B.C. director or vice president about it. They might get on the telephone to the C.B.C. or, at the worst, mail letters to the C.B.C.

I have known the Messer group for a long time and there is not a swollen head among them. They are a level headed, folksy, good group of people and I say to the plain folk of Canada that if you want the Messer show to continue the thing to do is to show the C.B.C. that you want it to continue. We must show the C.B.C. we want the program to return in the fall and I suggest the campaign for that should start right now.

Mr. Macquarrie: Good for you, Bob.

Mr. Robert Stanbury (Parliamentary Secretary to the Secretary of State): Mr. Speaker, I suppose all good things must come to an end, even the stirring appeal of the hon. member for Halifax-East Hants (Mr. McCleave). The C.B.C. advises me that the Don Messer show indeed will go the way of Juliette and will not be renewed next fall. I must say that the plain folk on this side of this house are as shocked by the announcement as is the hon. member. The C.B.C. offers some solace in advising that the replacement for the Messer show will be "Singalong Jubilee" originating in Halifax.

I would like the hon. member to withdraw the suggestion that the villians of this piece in Toronto are trying to take something away from Halifax. On the contrary they seem to be trying to inject new life into Halifax because they advise me that the purpose of this change of programming is to provide that time slot with a somewhat younger look and orientation. They tell me that they recognize the great contribution made by the Don Messer program over the years, and they hope that the new program "Singalong Jubilee" will inspire the same kind of support and approval that the hon. member has expressed for that show, which has drawn so many listeners from so many parts of Canada down through the years.

WOODS REPORT—REQUEST FOR CONSIDERATION BY STANDING COMMITTEE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in the question period this afternoon I asked the Minister of Veterans Affairs (Mr. Dubé) if the Woods report and the government's white paper thereon might soon be referred to the Standing Committee on Veterans Affairs. His initial answer was that this would be done as soon as possible, but when I asked him if we could hope that it might be done during the month of April I believe his reply was to the effect that he did not know.

I posted this question for tonight's late show because I confess to the minister that I am disappointed that it is taking so long to get the Woods report to the Standing Committee on Veterans Affairs. I believe that in expressing my disappointment I am expressing the disappointments of members of all parties in this house, and certainly the disappointment of veterans across this country.

The Woods report was a very important document. It took some two and a half years to prepare. It was finally tabled in the House of Commons on March 26, 1968, over a year ago. The then minister of veterans affairs promised that consideration would be given to it as early as possible, and the present Minister of Veterans Affairs on September 13, 1968, as recorded in *Hansard* at page 24, said clearly that the Woods report would be referred to the standing committee as soon as possible so that the opinions of that committee might be given to the government. The minister confirmed that position on September 30, 1968, as recorded in *Hansard* at page 564.

If my research is correct it was not until February 3, 1969, that the minister altered the position and said that no action would be taken to refer the Woods report to the standing committee until a government white paper was also ready so that it too might be referred to that same committee. Several times since then he has confirmed this secondary position that the committee cannot study this matter until it has the government white paper.

This is certainly giving the veterans' organizations and the veterans who are members of

those organizations cause for very real concern. They feel that the delay is becoming far too lengthy. I would point out that the National Council of Veterans Associations in Canada had its brief ready under date of November 26, 1968. I also point out that the National Veterans Organizations of Canada, including the Royal Canadian Legion and other bodies, prepared a joint statement, copies of which were sent to all of us in this house on February 21, 1969, and also that the Army, Navy and Air Force Veterans in Canada submitted their statement to us under date of March 21, 1969.

• (10:10 p.m.)

These various organizations for a long time have been ready and most anxious to appear before the committee. They have all recognized the great importance of the Woods report. They have emphasized that its many recommendations meet with their approval and that they would like to see them implemented. In fact, I think there are only one or two in respect of which there is any doubt at all. Special attention has been called to four important areas. Perhaps I might mention them. There is the question of the Hong Kong veterans and their dependants; the question of pensioners suffering from multiple disabilities; the need to establish an adequate basic pension and the need for the appointment of a pension appeal board.

As the time involved in getting this matter before the committee has dragged on some veterans' organizations have begun to wonder whether they should have accepted the idea of waiting for a white paper. Mr. G. K. Langford, Chairman of the National Council of Veterans Associations of Canada, wrote the Prime Minister (Mr. Trudeau) on February 18, 1969, objecting to the fact that the veterans were having to wait for a government white paper. Indeed, that council feels that in so doing a limiting effect is being placed upon the committee itself. I shall not take the time to go into the pros and cons of that part of the contention, but it does seem to me to be most disappointing that this delay is being extended the way it is. One gets the awful feeling that month upon month can run to the end of the session and that there may not be any action taken. This would be a disgrace, but any lists I have seen of legislation to be dealt with at this session do not include the prospect of Woods report recommendations being acted on, for the obvious reason that the whole matter has not yet gone to the committee.

[Mr. Knowles (Winnipeg North Centre).]

I make an earnest plea to the Minister of Veterans Affairs (Mr. Dubé) to get this matter to the committee soon. Some of us are concerned and disappointed that the Woods report, with all the good that is in it, does not include matters dealing with the War Veterans Allowance Act. We have asked that such matters also be referred. We are afraid that since it takes this long to get something done about the Pension Act, it may take even longer to get something done about the War Veterans Allowance Act. If that is what happens, the veterans across the country will feel they have been forgotten. I know the minister can tell me that on March 17, as recorded at page 6726 of *Hansard*, he said clearly that the Woods report has not been forgotten. At that time he referred to the time spent on the preparation of the recommendations and the question of the cost. I have no doubt that is the reason for the delay, the old question of cost.

The fact of the matter, however, is that the veterans of this country have a claim on us, and they have the right to expect their case not to be delayed longer. I plead with the minister as urgently as I can to get the question of the Woods report, together with the War Veterans Allowance Act and other matters which concern veterans, before the Standing Committee on Veterans Affairs as soon as possible. I hope he will yet find it possible to get that done before the month of April is over.

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, first of all I wish to express my appreciation of the interest of the hon. member for Winnipeg North Centre (Mr. Knowles) in veterans affairs in general and with the Woods committee report in particular. I know he is somewhat disappointed but I would ask him not to lose heart. His patience will be rewarded. As he said himself it took two and a half years to make the recommendations. Surely, if it took that long just to prepare the recommendations this is an indication of why it takes some time to bring these recommendations to fruition. My department has been quite busy reviewing the report. A committee formed of officials from the Department of Veterans Affairs and other departments has held over 70 meetings to study the Woods committee report, how much the implementation of the recommendations would cost and what recommendations would be in the best interests of the veterans.

A first draft of the white paper has already been prepared. At the present time that first draft is before a cabinet committee. Once that stage is over it will have to go through the full cabinet. As soon as the white paper is prepared it will be referred to the House of Commons Committee on Veterans Affairs. I know it does take some time.

I myself wish that the democratic system could move faster, but perhaps we had better take a bit longer and do an excellent job. In the meantime, all the members of the Committee on Veterans Affairs have been provided with a copy of the report, and this will give them an opportunity to study it. It is a massive report containing 1,350 pages with 148 recommendations. It is complex and far-reaching. If we want to do an excellent job we must take sufficient time. I know that the committee will use this time to study the report thoroughly.

The Acting Speaker (Mr. Béchard): A motion to adjourn the house is now deemed to have been adopted. Accordingly, this house stands adjourned until tomorrow at 2 p.m.

Motion agreed to and the house adjourned at 10:19 p.m.

HOUSE OF COMMONS

Tuesday, April 15, 1969

The house met at 2 p.m.

ORAL QUESTION PERIOD

FLOODS

REQUESTS FOR ASSISTANCE FROM PROVINCIAL AUTHORITIES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether he is today in a position to answer the questions asked yesterday about the serious flood threat in western Canada, whether he has ascertained through his office that provincial authorities have made requests for assistance and whether he has had an opportunity himself to inquire as to the extent of the flood threat and the availability of assistance from various federal agencies in that area?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, I received a report from my office on these points. The essence of the report is that there will be no disaster of major proportions that we can foresee, although there has been considerable damage. There have been no requests made by the Saskatchewan government to the federal government in Ottawa; however there have been requests to the prairie region headquarters of the Canadian Forces and a request from the Saskatchewan Emergency Measures Organization to the federal regional E.M.O. office in Regina.

The assistance we have given has taken two forms, one military and one non-military. One hundred and seventy-five troops are in Lumsden providing manpower in the town. One hundred and seventy-five thousand high quality military sandbags have been provided by the forces and delivered to the area. Another 200,000 sandbags of lower commercial quality have been flown in by Hercules aircraft from Winnipeg and Montreal. In addition, all the Canadian forces bases in the prairie region are on a 24 hour standby alert ready to meet any further request. There are also a number of federal departments assisting, Mr. Speaker. I have further details if the opposition would like them.

Mr. Stanfield: Mr. Speaker, I was wondering whether the Prime Minister has had an opportunity to inquire as to whether the flood threat is apt to increase, in view of conditions in the United States? Is it his view that the threat has reached a high now or that the danger is apt to increase?

Mr. Trudeau: I am informed that the flood crest is expected to be reached within the next 24 hours, and that after that it will subside gradually.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, knowing what the army was doing I asked a question yesterday in respect of this situation with particular reference to whether the P.F.R.A. authorities had been made available by the federal government for the purpose of assisting in this matter, in view of the fact they are particularly qualified.

Mr. Trudeau: Mr. Speaker, I can answer in only a general way. Apart from the military, there is some non-military assistance from the federal government, involving several departments. P.F.R.A. is actively advising with respect to minimizing possible crop damage.

Hon. W. G. Dinsdale (Brandon-Souris): A supplementary question, Mr. Speaker. With reference to the province of Manitoba, which will feel the impact of the flood conditions within the next few days, has the Prime Minister been contacted by the provincial authorities, and what precautions are being taken in that province?

Mr. Trudeau: As I said, Mr. Speaker, even the government of Saskatchewan has not applied directly to us, and my information is that the province of Manitoba has not, either.

Inquiries of the Ministry

POST OFFICE DEPARTMENT

ALLEGED DETERIORATION IN POSTAL SERVICES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Postmaster General. In view of the fact that, in common with a great many other members, I am receiving complaints from across the country about the distressing deterioration in the postal services, and since this seems to coincide with the new regulations, may I ask the Minister whether he is reviewing the regulations and is planning any changes in them with a view to improving the postal service?

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, we are doing a great many things to improve the organization and the services of the Post Office, but we are not planning any changes in five-day mail service or in single mail processing. As a matter of fact, as the hon. member knows, the adjudication is presently proceeding, and I expect that this will clarify a great many points.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. The minister has referred to the five-day delivery service. Is he satisfied with regard to the letter sent to him, a copy of which I have, which indicates that an individual in Montreal received a letter on April 10 which had been mailed in Toronto on April 1?

Some hon. Members: Oh, oh.

An hon. Member: A good service!

Mr. Speaker: Order, please.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in view of the statement that the minister wishes to improve the efficiency of his department and bring closer together the relationship of costs and revenues, would he now advise the house why overtime charges are mounting and service is diminishing? This is an admitted fact.

Mr. Kierans: Mr. Speaker, that was an erroneous report in the *Globe and Mail.*

Some hon. Members: Oh, oh.

Mr. Kierans: Overtime charges were on the increase during the fall and prior to the introduction of the five-day week. Since the middle of February, that is, since the introduction of the five-day week, overtime has been very considerably on the decrease. At the same time I might correct another report I was reputed to have—

Mr. Speaker: Order, please.

Mr. David MacDonald (Egmont): Mr. Speaker, I have a supplementary question. Perhaps we could straighten out some of the difficulties encountered in the department if the minister would clarify whether the five-day system means a minimum of five days in the delivery of mail.

PROTESTS BY WEEKLY NEWSPAPERS RESPECTING RATE CHANGES

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to ask the minister whether he has received any protests from the traditional weekly newspapers which have been operating in western Canada for a number of years, and have gone bankrupt because of the new regulations. Also, many people have had to give up their subscriptions to the daily newspapers.

Mr. Speaker: Order, please. The hon. member for Fraser Valley West (Mr. Rose).

Mr. Woolliams: Mr. Speaker, the minister wanted to answer.

Mr. Speaker: Will the hon. member resume his seat, please. The minister might want to answer his question, which might be answered at the same time as the one which the hon. member for Fraser Valley West wishes to ask now.

Mr. Woolliams: Mr. Speaker, I submit, with the greatest respect, that this seems to be completely out of order. My question is either in order or not, and there is no reason why it should be answered at the same time as another question.

Mr. Speaker: The hon. member for Fraser Valley West.

ENGAGEMENT OF CASUAL EMPLOYEES

Mr. Mark Rose (Fraser Valley West): My question is addressed to the Postmaster General. In view of the fact that he just reported that the charges for overtime have been diminishing, may I ask him whether this is due to the overwhelming presence of casual employees in the various post offices across Canada?

Mr. Speaker: Order, please. I have to rule at this time that the minister should not answer either question.

ALLEGED INCONVENIENCE IN SALE OF STAMPS

Mr. Robert Simpson (Churchill): I have a supplementary question for the Postmaster General. In view of the admitted and obvious embarrassment of postal clerks who are on duty on Saturdays and not able to sell stamps at post offices so that they have to tell people to go to sub post offices miles away to buy stamps, will the Postmaster General reconsider these regulations.

Hon. Eric W. Kierans (Minister of Communications): They do not have to go to sub post offices miles away. The sale of stamps does not take place in regular post offices because if it did they would have to keep a supply of stamps and increase their staff considerably, so that the whole purpose of the exercise would be lost. In fact people can secure stamps from any number of sub post offices in the vicinity.

[*Translation*]

AIR TRANSPORT

MONTREAL—STUDY OF TRAFFIC

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to direct a question to the Minister of Transport.

Since he has just announced that a study will be made on the control requirements of air traffic in the Montreal area, I should like to ask him if similar studies have been conducted before and if others will be conducted in other urban regions in Canada.

[*English*]

Hon. Paul Hellyer (Minister of Transport): I am not certain to which study my hon. friend is referring, but if it is to the one recently announced involving some consultants who have done studies in Paris, London and other places, the answer is, probably, depending on the results of the study being undertaken in Montreal.

HOUSING

SURVEY OF URBAN RENEWAL PROJECTS

Mr. Lincoln M. Alexander (Hamilton West): My question is directed to the Minister of Transport. I should like to say, first of all, that I am pleased to see him back, with his tan, and I hope that he acquired it during his visit to several urban renewal centres the week after Easter. Accordingly I should like to put to him the following question, which I shall read because I do not want to leave any ambiguity in the minister's mind.

Will the minister tell the house whether he had an opportunity during the Easter recess to examine any of the public housing and urban renewal projects which he indicated he would have to assess—and this was to be during the week after Easter—prior to announcing his new code of standards and or guidelines for municipalities wishing to obtain federal approval for such projects?

Hon. Paul Hellyer (Minister of Transport): I spent a great deal of time thinking about this question.

Some hon. Members: Oh, oh.

An hon. Member: Where—at Bugaboo?

Mr. Hellyer: I concluded that it is a very complicated matter, but my hon. friend will be pleased to know that I intend to visit Vancouver and Calgary in the next two days and, hopefully, will then be in a position to issue some guidelines within a matter of a few days.

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I have a supplementary question for the Minister of Transport. If he travels west for the purpose of visiting urban renewal projects, will he visit the Rose Blanchard urban renewal project in Victoria, which apparently has been stalled for some weeks?

Some hon. Members: What else is new?

Mr. Speaker: Order, please.

C.M.H.C.—CRITERIA APPLICABLE IN PROJECTS

Mr. Robert McCleave (Halifax-East Hants): I have a supplementary question, Mr. Speaker. I should like to ask the minister when he will be in a position to lay down the sociological and other guidelines that he announced within a few days before we recessed for Easter would be laid down.

Hon. Paul Hellyer (Minister of Transport): Next week, Mr. Speaker, if not this week.

Mr. James A. McGrath (St. John's East): Would the Minister of Transport take this matter up with the Prime Minister before going to Calgary, so as to learn the technique of ducking overripe tomatoes?

Inquiries of the Ministry

POSSIBLE AMENDMENTS FOLLOWING TASK FORCE REPORT

Mr. David Lewis (York South): May I ask the Minister of Transport, in his capacity as minister in charge of housing and in view of his hope that legislation would be passed in time to be of use during the spring construction term this year, when parliament may expect the bill he promised embodying some of the recommendations of the task force which he chaired.

Both spring and the construction term have now begun, and it would be interesting to know when we may expect the bill to be presented.

Hon. Paul Hellyer (Minister of Transport): This is the same question as was asked the day before the house rose for the Easter recess, and the answer is the same optimistic one I gave at that time.

Mr. Lewis: It may be the same question, Mr. Speaker, but two weeks have elapsed and I should like to ask the minister now whether his proposed legislation has been drafted—whether it is being considered by cabinet or whether it is still in the process of being drafted.

Mr. Hellyer: There is no change in the answer I gave earlier, Mr. Speaker. We are making excellent progress and I hope the bill will not be long delayed.

THE MINISTRY

POSSIBILITY OF NEW MINISTRY OF HOUSING AND URBAN DEVELOPMENT

Mr. John Gilbert (Broadview): I have a question for the Prime Minister, Mr. Speaker. Is it the intention of the government to set up a separate ministry of housing and urban development?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

GRAIN

MEETING WITH FARM ORGANIZATION TO CONSIDER EMERGENCY PROGRAM

Hon. W. G. Dinsdale (Brandon-Souris): May I take this opportunity to ask the Minister without Portfolio whether he met with representatives of the Saskatchewan Farmers Union in Saskatoon last Friday and, if so, what emergency programs does he contemplate to deal with the critical situation facing grain growers on the prairies?

[Mr. McGrath.]

Hon. Otto E. Lang (Minister without Portfolio): I did attend a meeting of the Saskatchewan Farmers Union in Saskatoon last week. The union presented a brief dealing particularly with feed grain and the quota situation with regard to feed grain. I told them I would be very happy to discuss their representations with my colleagues in the cabinet and that I would do so with a view to seeing whether policy of the Conservative government should now be reversed.

Mr. Dinsdale: While the hon. gentleman is considering programs and policies of the Conservative government, would he also reactivate the aggressive sales program of that government?

COMPENSATION FOR SALES BELOW I.G.A. FLOOR

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I ask the minister a supplementary question, Mr. Speaker? Did the Farmers' Union make any representations to him regarding the request that the government should compensate them for any sales below the floor price specified in the International Grains Arrangement and, if so, what reply did he give?

Hon. Otto E. Lang (Minister without Portfolio): The meeting in question was called specifically to deal with the subject of feed grains and the quota regulations in that regard and discussion was restricted almost exclusively to that subject. References of a broader nature which were made to farm income were made largely by myself.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A further supplementary question, Mr. Speaker. In view of the fact that representations have been made in writing by the Farmers' Union to the government regarding the loss of income from selling wheat below the agreement price, has the government given any consideration to whether or not the farmers will be compensated?

Mr. Lang: These questions are still under consideration, Mr. Speaker.

OFFICIAL LANGUAGES

INQUIRY AS TO RESUMPTION OF DEBATE ON BILL

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, the question I direct to the President of the Privy Council is one that is of tremendous interest to the Canadian

people generally and also to the members of the House of Commons. Can the minister tell the house approximately when the official languages bill will be before this chamber? He does not have to fix the actual date, but will it be within the next two weeks, so that members may arrange to be present?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, as hon. members will have noted, my colleague the Minister of Justice will be bringing before cabinet certain proposed amendments to the official languages bill. I do not expect it to be ready before two weeks time, but I hope it will be ready soon after that for continuation of the second reading debate.

INDUSTRY

PARITY BETWEEN CANADIAN AND U.S. AUTOMOBILE PRICES

Mr. A. D. Hales (Wellington): I should like to address my question to the Acting Minister of Industry, Trade and Commerce. Did the minister meet with the Ford officials as promised, and was he successful in convincing them that the price of their new Maverick car should represent full and omplete parity with the price paid in the United States for the came car produced in Canada?

Hon. Otto E. Lang (Minister without Portfolio): I believe my colleague was in touch with the Ford officials, as he suggested was his intention, and gained from them a continued assurance that they would work toward better productivity with regard to automobiles in Canada.

Mr. Hales: The minister did not answer the question. May we expect full and complete parity in price?

Mr. Lang: Parity in price is, of course, the objective, or, rather, it would be more correct to say that the lowest reasonable price is the objective, because there are differences in the Canadian and United States markets which might in the long run result in different prices. But certainly it is our hope that prices in Canada will be as low as possible.

DEVCO—COMPULSORY RETIREMENT OF MINERS

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the Prime Minister as leader of the government. Is the Prime Minister as leader of the government now prepared to state whether his government endorses the compulsory retirement of Cape Breton miners at the age of 60?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I have an answer to that which I might give to the hon. member, who has raised the question on two or three occasions.

Mr. MacInnis: Two or three? You can't count.

Mr. Honey: This question has reference to the pre-retirement leave plan of the Cape Breton Development Corporation. Intentions in this regard have been known since November 18 of last year when the minister tabled the over-all plan of Devco in the house. At that time he made it plain that the government had approved the plan of which the pre-retirement leave provisions are an integral part.

To implement the plan Devco recently sent out some 1,300 letters to members of the mining force aged 55 and over. In accordance with the plan those workers aged 60 and over were advised that the pre-retirement plan would take effect for them on April 26. Those between 55 and 60 were given the option of taking advantage of the plan if they so desired.

I might mention that of the 671 members of the mining force aged 55 to 59, more than 500 have informed the Cape Breton Development Corporation that they wish to take advantage of the pre-retirement leave plan as of May 1.

Mr. MacInnis: Mr. Speaker, I rise on a point of order to indicate to the government that despite the fact that a number of miners are accepting, it is nevertheless those individuals who are being forced to retire at the age of 60 whom we must concern ourselves with. Otherwise we are—

Mr. Speaker: Order, please. I am sure the hon. member recognizes that that is not a point of order. It is a point of debate rather than a point of order. I do not recognize that there is a point of order there at all.

Mr. MacInnis: Then I will give you a legitimate point of order, Mr. Speaker. Let me see the Prime Minister smirk this one off. In the act setting up the Cape Breton Development Corporation, under section 18 the corporation has—

Mr. Speaker: Order, please. If the hon. member has a legitimate point of order he

should quote Standing Orders, not a statute. I cannot recognize that the line he is taking now justifies a point of order. However I will hear him out and reach my decision after.

Mr. MacInnis: Mr. Speaker, I will refer once more to section 18, which was referred to in the answer given to me. I call the attention of the house to subsection 3 of section 18, which reads:

No bylaw made under this section has any effect unless it has been approved by the Treasury Board.

As late as yesterday Treasury Board informed me that the government has not approved this plan. Therefore it is illegal.

Mr. Speaker: Order, please. Again I must tell the hon. member that this is a point of debate, not a point of order.

Mr. MacInnis: A point of privilege, Mr. Speaker.

Mr. Speaker: Order, please. We have a question of privilege.

Mr. MacInnis: Mr. Speaker, on a question of privilege. I have known in this house occasions when questions affecting United States dope peddlers in the Don jail and in Ottawa were discussed. If they were given consideration, then I think Cape Breton miners who are being forced to retire at the age of 60 are also entitled to some consideration.

Mr. Speaker: Order, please. With respect, that is not in my opinion a question of privilege. The hon. member asked a question and received a reply. He may not be satisfied with the reply he received but I am sure many hon. members are in the same position of not being satisfied with the replies they receive, just as ministers may not be happy with the questions they are asked. This does not mean that there should be a point of order or a question of privilege whenever an hon. member is not satisfied with the answer that is given, or a minister with a question that is asked.

Mr. MacInnis: Mr. Speaker, may I direct a supplementary question to the Minister of Manpower and Immigration. Does he support the early retirement plan of Devco?

Mr. Speaker: Order, please. I am not sure whether that question has been asked of the minister in his ministerial capacity or in his personal capacity, and I should like to know that.

[Mr. Speaker.]

Hon. Marcel Lambert (Edmonton West): On a question of privilege, Mr. Speaker—

Mr. Speaker: Order, please. I believe the hon. member for Edmonton West is rising on a question of privilege and he should have precedence.

Mr. Lambert (Edmonton West): Mr. Speaker, while I am not directly implicated in this question I feel that, as a member of this house, my privileges are being called into question.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): The hon. member for Cape Breton-East Richmond has on numerous occasions asked a question similar to the one he is now raising. On those occasions when the minister was here he professed ignorance of the point at issue. The hon. member directed a similar question to the Prime Minister yesterday as well as on previous occasions and was fobbed off with the answer, "Ask the question when the minister is here." My point of privilege is this. We have this so-called roster system, which I for one do not accept. Slated for appearance today are 18 ministers. When Your Honour called orders of the day only seven were present. Since then three stragglers have come in. I point out that yesterday when a question arose with regard to a motion for adjournment as was put forward by my colleague for Malpeque, Your Honour said that it would be proper to put the question or the motion when the Secretary of State for External Affairs (Mr. Sharp) was present to answer to those problems posed by the motion. With the greatest deference, there is no indication when the Secretary of State for External Affairs will be here. It may be in one week; it may be in ten days—

An hon. Member: He may never get here.

Mr. Lambert (Edmonton West): Similarly, the Prime Minister indicated yesterday that the Minister of Regional Economic Expansion should be asked a particular question. That minister was not then present and is not present today. The problem of my colleague for Cape Breton is imminent, since there is a deadline to meet, April 25. Hon. members of this house have the right to ask any number of questions of the ministry, which is responsible in general to this house. Questions

should not necessarily be directed only to one individual.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): That is the point to which I object. Now facing us are seven or ten ministers out of a ministry of 28 or 29. They do not hold their power from God. They do not hold it from the Prime Minister.

An hon. Member: That's news.

Mr. Lambert (Edmonton West): They do not hold it from a Prime Minister who may have elevated himself near to that position.

Some hon. Members: Oh, oh.

Mr. Lambert (Edmonton West): They are responsible to this house, Mr. Speaker. The rules of this house which govern Your Honour, just as they govern me, provide that hon. members shall have the privilege of questioning the ministry, and not just individual members of the ministry as they take their turns in appearing here. We are quite prepared to allow for the absence of ministers in the regular course of duty. But, Mr. Speaker, I as a member of this house do protest, and claim it is a breach of my privileges as a member of this house to be faced with this contemptuous decision on the part of the ministry that they shall straggle in, a half dozen or ten of them, as they see fit.

They are the people who are responsible to this house and to the people of this country.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): And it is not the responsibility of hon. members on this side of the house, whose attendance is far better than that of hon. members on the other side, and of the ministry in particular, to be always present.

Some hon. Members: Oh, oh.

[*Translation*]

Mr. Lambert (Edmonton West): And if we agree, we can compare the attendance on both sides.

Some hon. Members: Ah! Ah!

Mr. Speaker: Order.

Mr. Lambert (Edmonton West): Mr. Speaker, I am closing—

[*English*]

Mr. Speaker: Order, please. I wonder whether the hon. member does not feel that he has now stated his question of privilege?

[*Translation*]

Mr. Lambert (Edmonton West): Mr. Speaker, as long as I am not given satisfaction, I shall insist on the rights of hon. members.

Mr. Langlois: Of course.

Mr. Lambert (Edmonton West): I shall also insist on hon. members getting an answer and on the ministers assuming their responsibility before Parliament, not only by means of a television debate but by really doing their duty by us, as members who have been elected by the Canadian people.

However, I know that spring has come and that the crows are appearing again—

[*English*]

I have refrained for a good, long time from commenting on this performance on the part of the ministry with regard to hon. members of this house. I say that the insistence on this roster system and the flagrant derogation from attendance in this house by ministers is an abuse of privilege. I make this protest not only on my own behalf but on behalf of all hon. members of this house.

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. I wonder if we might allow the hon. member for Cape Breton-East Richmond to put his supplementary question.

Mr. MacInnis: May I put a supplementary question to the Minister of Manpower and Immigration, Mr. Speaker. With deference to your ruling, sir, I understood that it might not be possible to put the question to the minister in his personal capacity. May I indicate that no minister is more deeply involved in this retirement plan.

An hon. Member: Which one are you? —The bum or the idiot?

Mr. Trudeau: Discipline yourself.

Mr. Speaker: Order, please. I wonder if we could have order in the house so that we may proceed with the question of privilege. I know many hon. members are anxious to ask questions and I think the hon. member for Cape Breton-East Richmond should be allowed to ask his supplementary, if it is in order.

Mr. MacInnis: Mr. Speaker, no hon. member here is more deeply involved in this particular early retirement plan than is the Minister of Manpower and Immigration. I

ask again, does the minister endorse the compulsory retirement of Cape Breton miners at the age of 60?

Hon. A. J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, if you will allow me to answer, this plan has been approved—

Mr. Speaker: Order please. I allow the minister to answer only in his capacity as a minister. I must say at this point that I am not all that sure whether the question asked by the hon. member relates to the minister's—

An hon. Member: It may be.

Mr. Speaker: Order, please. I appreciate the suggestions made to me and the advice given to me by the hon. member for Edmonton West. In view of his suggestion I will recognize the minister in his ministerial capacity and permit him to answer the question.

Mr. MacEachen: Mr. Speaker, the over-all plan to which the hon. member refers has been approved by the Government of Canada. Under the terms of the legislation it has also been submitted to the government of Nova Scotia, and to my knowledge there has been no objection from that quarter either.

Mr. David Lewis (York South): Once again I must remind the minister that his answer is not in accordance with the facts, and this has not been approved by the Treasury Board.

Mr. Speaker: Hon. members might agree with my suggestion of 15 or 20 minutes ago that we were entering into a debate. I gather the hon. member for York South has a supplementary question.

Mr. Lewis: Yes, Mr. Speaker. My supplementary question is to the Parliamentary Secretary to the Minister of the Department of Regional Economic Expansion and in relation to the answer which he gave, if he still remembers it. I want to ask him whether he has inquired whether the corporation has in fact passed a by-law providing for this early retirement, as required by section 18 of the relevant act? Has that by-law been submitted to the Treasury Board and has it received the approval of the board as provided by subsection 3 of that section?

Mr. Honey: Mr. Speaker, I do not personally have the knowledge to answer the question of my hon. friend. The minister will be in the house tomorrow. He was out of Ottawa yesterday on government business, but he is detailed to be here tomorrow and will deal with it at that time.

[Mr. MacInnis.]

Mr. Thomas M. Bell (Saint John-Lancaster): The minister of the Department of Regional Economic Expansion has been referred to. He is out in the corridor and I was wondering why he did not come into the chamber today. In that connection I point out in this matter that I have kept a record of the ministers' attendance. Out of 49 sitting days, ministers have been away 83 times when they should have been in the house doing their duty.

Mr. Speaker: I believe the hon. member for York South has a supplementary question.

Mr. Lewis: I want to pursue the matter raised by the hon. member for Cape Breton-East Richmond and ensure that this house receives this information. The act does not provide for approval by the ministry or the cabinet. The act provides that early retirement must be made by a by-law of the corporation and by approval of that by-law by Treasury Board. Will the parliamentary secretary make the necessary inquiries and either he, the Minister of Regional Economic Expansion or, God willing, even the President of the Treasury Board, may give us this answer tomorrow?

Mr. Honey: Yes, I will give that undertaking.

[*Translation*]

AIRPORTS

MONTREAL—LOCATION OF INTERNATIONAL AIRPORT

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I wish to direct a question to the Minister of Transport.

Is he now in a position to give us a report on his meeting yesterday with Hon. Jean Lussier, Quebec Minister of Municipal Affairs, regarding the site of the future international airport?

[*English*]

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, we had a meeting yesterday afternoon and reviewed the positions of the two governments. A review of those two positions will now be reviewed by the two governments.

AIR POLLUTION

COMMITTEE STUDY OF AUTOMOBILE EXHAUST SYSTEMS

Mr. Barry Mather (Surrey): Mr. Speaker, my question is directed to the Minister of Transport. It has to do with the increasing air pollution in urban areas caused by faulty motorcar exhaust systems. Would the minister give consideration to consulting his colleague the Minister of National Health and Welfare as to the possibility of setting up an interdepartmental committee to study this particular on-going problem?

Hon. Paul Hellyer (Minister of Transport): It is not necessary to set up a committee, this has been under investigation for some time. If my colleague were here, he would tell of the work being done by his department, which is designed to effect proper controls in so far as gas emissions are concerned. He would tell too, that much good work is being done in this area.

VOCATIONAL TRAINING

MELTZ-PENZ STUDY—ACCELERATION OF OPPORTUNITIES

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. In light of the urgent warning in the Meltz-Penz study that Canada must double the amount of graduates of technical training by 1970, what new steps does the government propose to accelerate technical and vocational training opportunities?

Mr. Speaker: I suggest to the hon. member that he is asking the minister to make a general statement which I submit should normally be made on motions.

LABOUR CONDITIONS

EMPLOYMENT OPPORTUNITIES FOR GRADUATING STUDENTS

Mr. R. N. Thompson (Red Deer): May I ask, Mr. Speaker, whether the minister is in a position to announce any positive steps for the employment of students graduating this spring from universities and other post-secondary institutions?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I wish to advise my hon. friend that the prospects for employment for graduates of Canadian universities for the immediate future are very strong indeed.

FISHERIES

NEGOTIATIONS RESPECTING FROZEN FISH AND SALT COD

Mr. John Lundrigan (Gander-Twillingate): My question is to the Minister of Supply and Services in his capacity as the Acting Minister of Fisheries. Has the minister held meetings recently with members of the Atlantic Fish Trades Association or a part thereof? If so, what action is being taken to compromise the difference between the trade and a reluctant government?

Hon. Donald C. Jamieson (Minister of Supply and Services): Mr. Speaker, it is correct I met with the Atlantic Fish Trades Association yesterday and also with representatives of the Newfoundland fishermen. The mechanics of the two programs, one to help the fresh frozen fish industry and the other the salt cod industry, were discussed with both groups. Negotiations with them and implementation of the plan are proceeding. I indicated to them the hope that there would be an announcement on both of the subjects within a very short time.

Mr. Lundrigan: Could the minister inform the house when we members of parliament might get some statement on this very important matter, so we, as well, will be informed?

Mr. Jamieson: Just as soon as we are sure, Mr. Speaker, that the mechanics of the plan are such that they will give maximum benefit to the fishermen, and achieve the result I am sure my hon. friend hopes will be achieved.

NATIONAL DEFENCE

AIRBORNE WARNING CONTROL SYSTEM—DISCUSSIONS WITH U.S. ABOUT CANADIAN PARTICIPATION

Hon. Robert L. Stanfield (Leader of the Opposition): Will the Prime Minister say whether there have been any discussions with the United States government regarding Canadian participation in an airborne warning control system, the AWAC system? Has this been discussed by the Prime Minister with the President of the United States or at any other level between the two countries?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I did not have any discussions on this particular subject with the President of the United States. This is a subject which is a part of the continuing study in reshaping our defence policy.

Inquiries of the Ministry

A.B.M. SYSTEM—POSSIBILITY OF PLACING UNDER NORAD CONTROL

Hon. Robert L. Stanfield (Leader of the Opposition): Could the Prime Minister advise the house whether there have been any discussions between the United States and Canada regarding the placing of the so-called Safeguard, the A.B.M. system, under NORAD command?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. There have been no discussions on the latter point, and I do not believe there have been any on the immediately preceding point either.

POLLUTION

FEDERAL DEPARTMENT TO HANDLE VARYING ASPECTS OF PROBLEM

Mr. Randolph Harding (Kootenay West): My question is directed to the Prime Minister, Mr. Speaker. It arises from the growing pollution problem in our nation and the fact that these problems are now handled by five different government departments. Would the government consider setting up a federal department under one minister who would be responsible for all pollution problems in Canada?

Right Hon. P. E. Trudeau (Prime Minister): It would be impossible to do that, Mr. Speaker, because many aspects of the pollution problem do not come under federal jurisdiction. For such problems as do come under federal jurisdiction we have mechanics for co-ordinating the works of the various ministers involved.

WATER RESOURCES

STEPS TO PREVENT POLLUTION OF BOW RIVER

Mr. Eldon M. Woolliams (Calgary North): I want to direct a supplementary question to the Minister of Indian Affairs and Northern Development. Have any steps been taken by the federal government on their own accord to prevent the pollution of the Bow River which is affecting the cities, and the areas of southern Alberta through which it flows?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I made a statement in this respect before the Easter adjournment and the answer it contained is still valid.

[Mr. Trudeau.]

• (2:50 p.m.)

[*English*]

GOVERNMENT ORDERS

TELESAT CANADA ACT

MEASURE ESTABLISHING CORPORATION FOR TELECOMMUNICATION BY SATELLITE

The house resumed, from Monday, April 14, consideration of the motion of Mr. Kierans that Bill C-184, to establish a Canadian corporation for telecommunication by satellite, be read the second time and referred to the Standing Committee on Broadcasting, Films and Assistance to the Arts.

Mr. Speaker: Is the house ready for the question? The hon. member for Broadview.

Mr. John Gilbert (Broadview): Thank you, Mr. Speaker. Bill C-184, to establish a Canadian corporation for telecommunication by satellite, is of national and vital importance. This is the reason the government had two technical studies prepared by R.C.A. Victor and Northern Electric and the reason the government commissioned Dr. McIntosh, general manager of the Bank of Nova Scotia, to make a report recommending a plan for the corporate, financial and management structure of this domestic satellite communication corporation.

The minister has refused to make public the report of Dr. McIntosh because of the confidential discussions referred to therein. I would ask the minister, however, to submit the report stripped of the confidential discussions in which Dr. McIntosh participated and containing his recommendations and his reasons therefor. I would also ask the minister to undertake that Dr. McIntosh will attend before the appropriate standing committee to give evidence with regard to his recommendations and reasons and to subject himself to the questioning of members of the standing committee. I rather suspect that one of Dr. McIntosh's recommendations was extensive participation by the carriers, namely, the trans-Canada telephone system and C.N.-C.P. Telecommunications, and by private Canadian investors along with the government. In fact, before the Standing Committee on Transport and Communications Mr. Gotleib, one of the deputy ministers, suggested that probably the corporate structure would be set

up on the basis of 30 per cent federal government participation, 30 per cent common carrier participation and 40 per cent public participation. Yesterday in his opening remarks the minister said there would be roughly a one-third participation by each of the different groups.

It is fair to say that this operation is a sure financial winner and, as the hon. member for Selkirk (Mr. Schreyer) has said, the decision by the minister and the government is a sell-out of the Canadian interest in this money-making venture. We in the New Democratic party have recommended that the satellite corporation should take the form of a Crown corporation with participation by the federal and provincial governments, with the federal government having 51 per cent control and the provincial governments 49 per cent. I say this because of some of the public statements the minister has made. He has said that the main objectives of the satellite communication system are social and political and not economic. He also pointed out that only a satellite communication system would be able to blanket the rural and northern areas of Canada and operate successfully in this field.

Last evening the Minister of Indian Affairs and Northern Development (Mr. Chrétien) spoke of the great importance this satellite program will have in relation to the Indians, Eskimos and Métis and the industrial development of the north. More important than this will be the contribution the satellite system will make to national unity by the distribution of television programs in French and English to every part of the country. If this is so, then it is important that there be complete public control in order to ensure that the system is devoted to Canadian aims and objectives in a way that is acceptable to the Canadian people having in mind their cultural requirements. The minister has not given economic reasons for the construction of the satellite system. In fact he has given conflicting information regarding an economic or financial comparison between the present terrestrial system and the new satellite communication system.

If we were to adopt the Crown corporation approach as recommended by this party, there would be no problem in respect of foreign ownership and participation and subjugation to government regulatory control. In this area it is worthy of note that both firms which submitted design programs included in their bids participation with foreign firms. For example, the bid by Northern Electric, a Canadian subsidiary of Bell Telephone, includes substantial assistance from Canadair Limited, a subsidiary of Hughes Aircraft Company of California. The bid by R.C.A. Victor, an American subsidiary, includes additional assistance from Spar Arrow Space Products Limited of Toronto, systems group of T.R.W. and Company of California.

The bid by Northern Electric states that its proposal will achieve a 64.5 per cent Canadian content under the program. R.C.A. Victor has declared that its proposal would promote the participation of Canadian companies to the maximum state feasible. This is an indication that both these companies which submitted technical programs will require foreign participation in the operation of their programs. As indicated yesterday by the hon. member for Selkirk, this is nothing more than vertical integration by these companies in this field where the financial success of the project is almost assured.

We have had experience with Canadian regulatory bodies. We know what has happened in regard to the Canadian Transport Commission and the Bell Telephone Company. The Bell Telephone Company has had almost a wide-open field and complete freedom in respect of communications in Canada. The Canadian Transport Commission has played a rather passive instead of an active regulatory role. It does not dig out the facts but relies instead on the opposing parties to present the evidence. The result is that the Bell Telephone Company dominates the field and has more regard for its shareholders than for the users of the telephone services.

If this new body is to come under either the Canadian Transport Commission or the Canadian Radio-Television Commission we have no assurance that either of these bodies will do the type of research that is necessary to protect the Canadian public at large. With a Crown corporation the profits would be shared by the public and not by the private carriers or a very small group of private investors. As the minister has pointed out, any one person will be limited to 2½ per cent control or ownership. It is obvious, however, that no more than 2 per cent or 3 per cent of Canadians will be investing in this successful operation. One is reminded of the successful operation of Polymer and Sysco in Cape Breton as well as other Crown corporations. This should give the minister some encouragement to experiment once again with a Crown corporation.

Telesat Canada Act

• (3:00 p.m.)

I am sure the minister is well aware of the experience in the United States in respect of the satellite communications system there called Comsat. The U.S. government set up a 50-50 capital participation program between the carriers and the public with the government making no capital investment but having a minority number of directors on the board, a mere 3 out of 15. That experience has shown, as I am sure the minister will agree, that it has not been a successful operation and that no telecommunications system is likely to be successful when the control is in the hands of private bodies.

One is rather surprised that the minister, in view of the avant-garde approach he takes in respect of NATO and other current matters, would not have experimented with a Crown corporation in this field. When the hon. gentleman was the minister of revenue in Quebec he advocated full government control and ownership of Sidbec, a newly integrated Quebec steel operation. The minister suggested this would create something which did not exist in Quebec, namely, an integrated steel mill which would give a boost to and have a multiplier effect on the economy. If the minister could support the operation of a Crown corporation like Sidbec in Quebec on the basis of economic reasons justifying public control, surely a better and more convincing case can be made for a Crown corporation in this field where the objective is political and social rather than economic. In this case, underlying that objective is national unity and development across the country.

One may fear there will be little federal participation in this venture. The minister's recommendations will not allow any participation by provincial governments. We believe there should be the fullest federal and provincial participation with 51 per cent control in the hands of the federal government and 49 per cent held by the provincial governments. When one realizes the active steps the provincial government of Quebec has taken in entering into an agreement with France in respect of satellite communications, one would hope that the minister would take some initiative on the part of the federal and provincial governments to develop this important field of communications.

Yesterday the minister mentioned that this new corporation would develop a research program and he quoted from the particular clause in the bill which gives authority for research development. It is obvious that there is no government co-ordination of its scientific and technological programs and policies. Where will the satellite research program fit into the over-all objectives of science in Canada? This raises the question of why the intense neutron generator program was cancelled last fall, why the government expanded its oceanographic research program under the Minister of Energy, Mines and Resources, and why the Queen Elizabeth telescope project in British Columbia was cancelled after millions of dollars had been spent. It is obvious that scientific research under this government is chaotic and that science policy is determined by accident rather than by plan. One would hope that the research program of this new corporation will be integrated with the National Research Council and other research bodies within the government so that we will have a total science policy rather than the haphazard approach taken so far by the government.

Yesterday I felt that the minister in his opening remarks in respect of the satellite communications system showed himself to be a true supporter of private enterprise and that his previous statement in respect of economics was mere words. He seemed to indicate that he had no intention of implementing his ideas. If he had had the spirit and the courage to meet this problem he would have thought seriously about setting up a Crown corporation whereby the federal and provincial governments would be given the right to participate in its development and in research so that all benefits flowing from the project would go to the Canadian people and be available for their use. He has chosen otherwise. He has chosen to give the private carriers and the public the right to invest in this program. With the investment of a mere $60 million the government could have implemented this program for an experimental period to see what it would achieve, in light of the success with regard to Polymer and other government corporations. He has not elected to do so and I am sure he will regret the step he has taken. I hope that when we reach the committee stage he will give us his reasons for electing otherwise and that Dr. McIntosh and other expert witnesses will be called to justify this decision.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, perhaps I should rise on a point of order before my colleague resumes his seat. The reason for doing so will become clear in a moment. Yesterday my colleague the hon. member for Selkirk moved an amendment to the motion for second reading of this bill.

Mr. Speaker had some doubt about the form of the amendment. Since then my colleague and I, along with one or two others, have consulted and redrafted the amendment in a form which the hon. member for Selkirk would be prepared to offer as a substitute for the one proposed yesterday. My point of order is in the form of a question. Will it be acceptable to the Chair if the hon. member for Selkirk offers a substitute amendment? If that is not the case, then the hon. member for Broadview could move the amendment. That is why I rose on a point of order before the hon. member sat down.

Mr. Deputy Speaker: Since the hon. member for Selkirk has already spoken and cannot speak again he might be allowed to move an amendment with the unanimous consent of the house. If that consent is not forthcoming, the hon. member for Broadview might move the amendment. If the first proposal by the hon. member for Winnipeg North Centre is the one being pursued, I will ask the house now whether it gives unanimous consent to the hon. member for Selkirk to move the substitute amendment.

Some hon. Members: Agreed.

Mr. Deputy Speaker: I will recognize the hon. member for Selkirk at the conclusion of the remarks of the hon. member for Broadview.

Mr. Gilbert: I have completed my remarks, Mr. Speaker.

Mr. Schreyer: Mr. Speaker, in view of the fact the Chair had some doubt whether the amendment I moved yesterday was declaratory of a substantially different principle from that contained in the bill, I move, seconded by the hon. member for Vancouver-Kingsway (Mrs. MacInnis):

That Bill No. C-184 be not now read a second time, but that it be resolved that in the opinion of this House the basic principle of the bill should be altered so that there will be full public ownership of the proposed Canada Telesat through a Crown corporation, with provision for participation therein by the governments of the provinces as well as by the government of Canada.

• (3:10 p.m.)

Mr. Ray Perrault (Burnaby-Seymour): Mr. Speaker, one of the interesting aspects of the bill before us is that there seems to be general agreement among spokesmen for all parties that we need improvement in our communications systems in Canada. This is an interesting aspect of the debate. There does not seem to be violent opposition to the idea of having a domestic communications satellite. There is a difference of opinion—and I am sure these opinions are sincerely held—about the type of ownership of the domestic communications satellite system. Fears were expressed yesterday about the type of corporation anticipated by the measure. These fears have been expressed once again in the amendment just proposed by the spokesman for the New Democratic Party.

Certainly the concept of a three-way partnership is unique. The minister suggested yesterday that this concept may be unique in the history of the world. I refer to the concept of one single entity involving government, the telecommunications industry and the public at large. In my view the proposed structure need be no cause for alarm. Certainly this measure should advance from second reading into committee so that expert witnesses may be called and testimony given by them. If this measure must be improved, we should have the courage to improve, change and strengthen it.

The placing aloft of a communications satellite of this kind will, without doubt, be an historic action by government in Canada. In my view the proposed arrangement achieves a happy melding of three very important segments of our society, the skills, research talents and the technical expertise of one of the world's outstanding telecommunications industries.

Let us make no mistake about it, the people who make up the telecommunications industry in Canada are primarily Canadians trained in Canadian universities, the sons and daughters of Canadians from coast to coast. We are not talking about some sinister force trying to overthrow Canadian sovereignty. The graduates who are going into electronics in Canada come from the University of British Columbia, Memorial University in Newfoundland and the University of Toronto. Some of us know some of these very talented people. This measure would bring together the resources represented by people of this kind as well as the resources of government, which are not inconsiderable. We would at the same time permit the participation of a broad section of the public in what will be a major venture in the history of this nation. I think the minister is to be commended for his determination to assure that this high level of technical competence will be vested in the project. To do less would be to serve less ably as a minister of the Crown.

There are some who say that this project is ahead of its time. In light of some of the preliminary testimony given before the committee I must admit that I harboured some doubts whether the existing microwave capacity in Canada had been fully and effectively utilized, but I was reassured by the data provided yesterday by the minister. It seemed to lend convincing support to the view that there will be adequate demand for the service to be offered by this new corporation.

Certainly when this satellite achieves orbit in 1971 or 1972—I hope the launch is successful whether it is from Vandenberg Base, Cape Kennedy, or whether the Soviet Union submits the lowest tender for launching—Canada will look to no other nation in the world for leadership in the provision of an effective communications network for a vast land mass. We will be pioneers in the bringing of television, telephone and message communication to all parts of a very large country by this domestic satellite.

It is reassuring to note in the report given to the house yesterday by the minister that the satellite project has sound research support. It is not a pie in the sky or even a satellite in the sky proposal. The 1966 report of the Power Corporation, a respected corporation in this nation, supporting a domestic communications satellite system, and the subsequent task force report made available in April of last year, provide convincing proof that the satellite system is economically feasible and desirable.

Those who are concerned about the ownership aspect of the proposed system—they have a right to question ownership, although the technical aspects of the project have not been disputed—neglect, I think, the assurance provided by the minister that there will be no board representation for any party without shares, nor will there be shares without votes nor votes without shares. There will be no power without financial responsibility and no responsibility without power.

Some have proposed a wholly government-owned enterprise, which is the substance of the amendment to which hon. members are now addressing themselves. Admittedly, there are arguments pro and con in this regard. It can be said that any or all activity in Canada could be operated at the taxpayers' expense, could be fully government owned. Some people subscribe to this economic philosophy. But in this case it seems to me and many other hon. members that a wise course is being followed. The resources of a first-rate telecommunications industry will be involved in the project as well as government resources on behalf of all the Canadian people.

As the minister stated yesterday in his speech, public equity in a corporation initiated by the government fulfils the idea of public participation in ventures undertaken in the name of the public; it fulfils also the urgent need for a broader selection of Canadian-owned companies available to Canadian investors and, finally, it will ensure accountability to the public at large rather than merely to those parties directly interested in the venture.

I express the hope that share ownership in the corporation will be based as broadly as possible. We in this house should take action to make certain that it will be possible for even small investors to put money into what could be a growth proposition for Canadians from coast to coast, so they will be given an opportunity to invest their money on a fair and equitable basis. In this regard the house should feel reassured by the limitations on the distribution of share ownership as set forth in appendix B. When people cry alarm in this house about the ownership, let them remember that non-residents may not hold more than 20 per cent of the shares allotted to the public sector, or approximately 7 per cent of the total shares issued by the corporation. No single shareholder in the public sector may hold more than 2½ per cent of the total shares issued by the corporation. I think this removes some of the sinister aspects of the corporate structure which have been suggested by our friends to my left. They suggest there are dark motives behind this proposal to bring a measure of private enterprise into this great project.

Mr. Schreyer: Only 2 per cent of the population will benefit.

Mr. Perrault: I rather dispute the mathematics of my hon. friend to my left, but perhaps in committee he will explain his economic theories more clearly so we will all understand.

• (3:20 p.m.)

Again, it seems unfortunate that some members of the house appear to be obsessed by the fear that some of the participating companies may include a degree of foreign ownership and control and that presumably Canadian sovereignty will be endangered. This is an example of unfortunate tunnel vision. We would still be in an economic

backwater and certainly would not have one of the highest standards of living in the world if we had this tunnel vision and if every time someone from the outside wished to invest money in Canada we questioned his motives and said, "oh, no, you cannot come here unless you are willing to subject yourself to some sort of punitive action". I think it is unfortunate that that kind of talk is still being heard in Canada.

Mr. Woolliams: You do not like Walter Gordon, then.

Mr. Perrault: I am not talking on that subject this afternoon.

The control of this domestic satellite system will be exercised fully and effectively in Canada. This remains the fact. Canadians will benefit whether or not they are direct shareholders in the corporation. Apart from their technical resources which they will be investing in this project, the participating private companies will be the principal users of the system. They will rent its services to retail to their customers. This corporation will complement, not compete with, common carriers.

Certainly this measure should serve to promote the widest possible share ownership. In my view it is consistent with demands from various quarters of the house, including the left side of the opposition, that Canadians be given more opportunities to share in the ownership of Canadian enterprises. But let there be no lingering concern on the part of any of us. It is to be hoped that a detailed committee study of this proposal will be carried out and that expert witnesses will be called for testimony. I also hope, as I said earlier, that appropriate changes will be made to improve this legislation still further.

Undoubtedly the launching of this satellite will be one of the most important actions of this parliament. The basis of the corporation should be sound and the public interest should be protected as effectively as possible. I hope that this measure can be referred to the committee for the detailed study which it deserves. I suggest to the house that the amendment be defeated, that we ge on with the true task before the house, that we give second reading to the bill and refer it to the committee as quickly as possible.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I felt it was my duty to take part in this debate on Bill C-184 concerning the establishment of a Canadian corporation for telecommunication by satellite which will be designated under the legal and commercial name of Telesat Canada to stress certain points which seem to have been forgotten since the bill was introduced as well as by the minister himself.

Mr. Speaker, the progress of a country like Canada which geographically extends from sea to sea is closely related to the development of its means of communication. It is almost unanimously recognized that the establishment of a communication system by satellite is an important step in the unification of the various Canadian regions.

I am glad, Mr. Speaker, that the government acknowledged the imperious need for Canada to be provided with a system of communication by satellite which will enhance our Canadian identity.

Besides, Canada's population is made up of various ethnic groups, and especially of two large cultural communities, one French and one English. It is a fact that gathers increasing support that both must be treated on an equal footing wherever there is a minority.

We must, for instance, provide the French-speaking minorities outside Quebec with opportunities for development and for the safeguard of their culture, and we must provide them with information and entertainment in their own language.

The freedom to choose for each private individual and the opportunity for a minority to express itself, that should be the principle behind the philosophy of the new corporation called "Telesat Canada".

I believe that that corporation will meet the two requirements necessary for the development of Canada and for the fulfilment of the basic needs of Canadians, wherever they may be, whatever the language they may speak and whatever the culture they may belong to.

Although we agree on the principle of the bill, Mr. Speaker, I am somewhat nonplussed at a few particular points with which I shall deal briefly and to which I wish to draw the attention of the minister who introduced this legislation in the house.

Here are the main questions I ask myself on the content of the bill.

First, will the system be bilingual or, in other terms, will there be a particular channel for programs in French, and another for those in English?

Secondly, will some channels be used only for educational programs? Since education is a provincial responsibility, were the provinces and specially Quebec consulted on that matter? In the affirmative, what conclusions were arrived at in talks with the province of Quebec, for example?

Mr. Speaker, I ask the minister whether the bill meets the requirements of the provinces.

Will Quebec be able to rent or purchase time on a channel for educational programs?

Mr. Speaker, one cannot help but wonder whether the governement of Canada intends to allow Quebec, if it so wishes, to take part and to co-operate in the construction of a telecommunication satellite broadcasting in French and to allow it to use a foreign satellite to transmit its educational programs. For us Quebecers, that is a fundamental question within the framework of the constitution as it now stands, having regard especially to the progress in the fields of technology and electronics, that is foreseable today.

In this connection, I also wonder whether the federal government is ready and willing to let Quebec negotiate, such agreements internationally, or whether it intends to carry out such negotiations itself. In other words, has there been any agreement with Quebec in this regard? If so, what is the nature of such agreement? If not, is such an agreement expected?

• (3:30 p.m.)

Mr. Speaker, I am sure the minister, being a responsible man, will make a note of my questions. I shall ask a messenger to take them to him so that he may answer them when the time comes to close this debate.

Mr. Speaker, we, who are French-speaking, would like to be sure that the minister is aware of these questions that come to our minds and that he intends to supply answers.

I suggest that the minister will wish to answer our questions before the bill is carried and referred back to the committee, because it is possible that in trying to favour national unity, through a communication system of high quality and at very high cost, we may contribute to the division of the country. Then, Mr. Speaker, all would be lost.

A real danger threatens. Indeed, the present bill does not take into account agreements with the provinces, nor, for that matter, the two great cultures of Canada.

In my opinion, that represents a serious anomaly, and if the minister does not throw some light on the situation by answering some of the questions I asked a while ago, we will be led to believe that the federal government wants to control not only the medium but the message of the programs televised by the different channels.

In his first speech, the minister spoke of the very great political and economic implications this bill will have. However, he seems to have forgotten, involuntarily I hope, the enormous social and cultural implications which will also proceed from the bill.

Mr. Speaker, just as we have rich provinces and poor provinces, so also we must recognize today without danger of being mistaken that there are great regional economic inequalities which are now known as "regional disparities". It is so true that a new department has just been established to deal with them.

Just as it is no longer conceivable to have a uniform economic policy for all Canada, so also we cannot set up a uniform communications policy for the whole of Canada.

Indisputable phenomenon: Canada is a mosaic of provinces—great men said so—remarkable for its two great cultures: the French culture and the English culture.

At this stage of the creation of this new Canadian corporation for telecommunication, known as "Telesat Canada", the house has no guarantee at all that the cultural and educational rights of the provinces will be preserved, guaranteed, since the Canadian constitution itself does not provide, and did not provide in 1867, for the possibility that such an evolution in the field of communications would make it necessary to create a new department, the Department of Communications, to meet the needs of a modern Canada.

Mr. Speaker, the problem is right there and it is not by playing the ostrich that we shall find an answer.

Everybody must admit that the field of communications, whether it be telecommunication by satellites, educational television or the granting of broadcasting licences, is most important and likely to infringe upon the rights of the provinces which have regional interests to protect including cultural interests and others.

Of course, there are always national interests to safeguard but let us not, for goodness sake, forget the regional interests.

So, in practice, we cannot agree with the idea of establishing a new corporation for telecommunication before settling that matter of infringement and jurisdiction.

We should know, Mr. Speaker, where the federal jurisdiction and the national interest begin, on the one hand, and the provincial interest and jurisdiction on the other. This question was to be discussed at the last constitutional conference but the parties involved did not feel happy about the outcome. Such problems, and others as well, tend to linger in Canada.

That is the core of the matter; that is the answer we need before we embark on a course which could only worsen federal-provincial relations which are quite strained already.

In the course of his speech—and, technically speaking, it is very poor—the minister said, and I quote:

—extension of television service in both languages to all Canadians—

He carried on:

This satellite will broadcast both in French and in English; in short it will speak the languages of Canada.

Mr. Speaker, on March 1st, 1969 *Le Droit* from Ottawa—a well-known newspaper published an article under the heading: Eric Kierans states the objectives of the new Department of Communications. I quote:

—in rather confused terms, Mr. Kierans declared, Friday, that his new Department of Communications will be unable to dissociate entirely the container and the content of the messages it will transmit.

The minister stated, on second reading of Bill C-173 in committee, and I quote:

The department of Communications will be concerned with the transmission of the message and not the message itself—

But the minister lost no time in adding, and I quote:

—but the two cannot be dissociated from each other.

He says yes, but he says no. He agrees, but he does not.

Mr. Speaker, let us be honest about it and throw light on the situation.

Later, the minister added as follows:

The Department of Communications will not become a two-dimension department, exclusively concerned with the means and neglectful of the end.

What is that end? What are those means the minister intends to take to encourage better communications technically, culturally and socially in Canada? What is the ultimate goal of the minister, his department, and Telesat Canada, since even we seem unable to discover it today?

Mr. Speaker, comparing what the minister said with the contents of this bill and his first speech on the matter, we cannot but be very puzzled about the real intentions of the federal government.

Michel Roy, in an article published in the newspaper *Le Devoir* on Saturday February 22, 1969 pin-pointed the problem as it exists in the province of Quebec in particular, and I quote:

Therefore, on the one hand, Quebec intends to set up a gigantic and complex telecommunication network which would serve cultural, educational, economic, scientific, administrative and social purposes and whose scope appears bewildering if we consider the as yet unsuspected potential of electronics and its innumerable applications; but, on the other hand, the development of the basic elements of this radio and television complex is singularly hindered by constitutional, political and financial obstacles.

As a matter of fact, concludes Michel Roy, if Radio-Quebec is not successful in getting a broadcasting licence and if, on the other hand, the initiative taken by Quebec in the field of satellites triggers the expected chains of reactions, if furthermore the budget limitations resulting from the state of our finances bring the government to cut down expenditures on educational radio and television, then we shall have the right to ask ourselves how and when might come about "an integrated and total communication network" as considered by the Quebec audio-visual development office, the true brain as far as the telecommunication policy is concerned.

• (3:40 p.m.)

Upon reading this article, Mr. Speaker, I ask myself two questions. Are we gong to have two satellite networks, the Canadian government's and the Quebec government's? According to the Quebec premier, it seems that it will be the case since not one week goes by without the Quebec premier or the federal Minister of Communications (Mr. Kierans) boasting loudly and making bold statements, each to promote its own satellite network.

We want to know, Mr. Speaker, for how long yet we will keep on paying for both, thus acting irresponsibly.

On the basis of our information it seems that in this field as in others, there will be a duplication of services and costs and taxes will increase since it will cost twice as much for the people of Quebec to have their own service in view of the fact that they are afraid of possible interference on the part of the Ottawa government.

Still because of this everlasting question of provincial autonomy, which costs a lot to the people of Quebec, and because of the stubborness of the Ottawa government in interpreting the constitution in its own way, the Canadian people, who are ignored, are always the ones in the end who foot the bill of such loss of time and of those problems that remain in abeyance instead of being solved.

That brings me, Mr. Speaker, to the following basic point: Why does not this bill provide for participation, financial and otherwise, by the provinces, especially Quebec?

It seems to me a province like Quebec could take advantage of the establishment of those satellites—which would be simply extraordinary—by securing for itself a channel of its own, in order to provide educational programs and others in accordance with its people's ideals, which would enable all French speaking Canadians in this country to keep in touch with the province of Quebec.

It seems to me, Mr. Speaker, that the province of Quebec could at least double its influence at the national level, assert itself and reveal its ideals, folklore, language, talents, difficulties and needs to all Canadians.

Has the federal government made proposals to this end to the province of Quebec? I would be pleased to see the minister give a sincere answer to that question. If the government did make proposals, what did Quebec answer, if it did answer? In fact, Mr. Speaker, very often, unfortunately, the Quebec government does not give any answer to the proposals made by the federal government, as it happened in the case of the federal parks.

I wish to conclude my remarks on the social and cultural aspect of this bill in order to deal briefly with another point about which I feel very strongly, namely the principle of the Corporation itself.

We shall create, by passing Bill C-184, a corporation that is not necessarily a crown corporation nor an agency corporation. It is essentially a non agency corporation but, what is more, a joint economy corporation.

Moreover, one finds there the system well known in Europe as the tripartite representation within a state corporation. In this case, the federal government, private enterprise and the people, would be the three governing factors of this new corporation.

Such a tripartite representation, Mr. Speaker, is based—from what I know—on the idea that the bringing together of the various interests involved, particularly those of the personnel and the users, brings automatically about a compromise in the general interest.

As we know, this method of setting up of a government corporation is very popular in France. Such a formula is used to a certain extent in Canada but it should be used increasingly, since the people and private enterprise participate in it more fully than in the case of Crown corporations, known as the "State control solution", which involves the appointment of civil servants subjected to the administrative control of the minister, and consequently such a corporation becomes the economic and cultural instrument of the government.

Mr. Speaker, Telesat Canada, which we are seeking to set up here, will not altogether have a legal status—the minister does not say this but only that it is a complex matter—will not really enjoy a tripartite representation and will constitute a solution by State control. As we know, Mr. Speaker, from a legal point of view, there are three methods of setting up a corporation, the third of which being called the "autonomist solution", and I want to elaborate a little on this.

Telesat Canada will be, as one might say, a mixture of the tripartite representation and the autonomist solutions.

There are two points in that solution. The first is that we must prevent a firm from being managed in a poor capitalistic way and manage it like a private firm. That last solution was adopted in Canada several years ago. It is based on political and legal Anglo-Saxon principles according to which great powers are readily granted, and the results assessed afterwards.

Legally, it is so to speak, and I wanted to come to that, the machinery of the establishment of the trust.

In other words, what is important is the source of capital and not so much the fact, though this is very significant, that the individual elected or appointed director of a public Canadian firm must be a Canadian citizen.

What is important is the source. However, when we read in Schedule A of Bill C-184 the names of the firms concerned—since it is a three party representation—we may conclude that there are some private interests involved. If we take into account which firms are willing to be included in that company, we realize that most of the interests are foreign interests. And if that company is to be established as it is described in the bill, "Telesat

Canada" will not be under the control of Canadians but rather of Americans.

And yesterday the hon. member for Beauce (Mr. Rodrigue), proved beyond all doubt, thanks to very detailed information, that the interests of companies listed in Schedule A are really foreign interests.

Mr. Speaker, I do not want to take up more of the time of the house but I feel I must ask again the minister to clear up the situation as to the social and cultural repercussions of the bill, particularly as far as Quebec is concerned, which affects us more, even if we are concerned with the rest of Canada.

Secondly, Mr. Speaker, I would like him to explain how he can imagine a Canadian control of Telesat Canada, when he knows that the capital comes from outside the country. Tell me who pays you, and I will tell you whom you serve.

Mr. Speaker, I am sure that the hon. member for Chambly (Mr. Pilon) is no more interested than the others in being controlled by the Americans. Consequently, I would ask him to reflect on that and show real imagination. I endorse the idea of establishing Telesat Canada, but I cannot wholeheartedly, approve of the bill, because of the numerous questions that we ask ourselves, not only as French-speaking Canadians, but as unhyphenated Canadians as well.

[*English*]

Mr. Ralph Stewart (Cochrane): Mr. Speaker, everyone in Canada will be very happy if we are able to have a satellite system that will give us all of the wonderful things that a satellite system can bring. Today we are discussing in this house the details of what kind of corporation should run the whole affair. I suggest that we are being a little premature and that this whole question should be examined in much greater detail and with much greater care at the committee level, because there is certainly grave doubt whether or not this project is economically feasible.

We did examine this question briefly in committee and we were not entirely convinced that it is economically feasible. I personally asked that we continue our study of this problem in committee by calling in experts from outside the public service who are not immediately involved in the building up of the organization within the new Department of Communications. Whether or not this is being considered I do not know, but I believe that this is absolutely essential.

• (3:50 p.m.)

Not too many days ago an article appeared in the *Globe and Mail* expressing the opinion of the president of the Bell Telephone Company of Canada. He had grave doubts about the economic feasibility of the satellite system. That was the opinion of a man who is highly respected and has no immediate axe to grind in making such a statement. I know that people inside and outside Canada have expressed very grave doubts about the satellite's economic feasibility. I pursued this line of questioning in committee. While I do not mean to point a finger at anyone in the public service I can demonstrate any number of cases where various governments of this country in the past have been pushed into expensive kinds of programs they could not afford. We have built something or been sold something as a result of the promptings of our public servants and the experts they brought with them. Often we have been sold a bill of goods which was too costly for us.

One example of that is the arts centre. Another is the manpower program, one of the finest ideas this government has come up with. Nevertheless, in the hands of certain mandarins it is being ruined. I suggest we are following exactly the same pattern with this telecommunications system. We get hold of a great idea and hand it over to people who are interested in empire building. Then we find ourselves engaged in a program of expenditures that we cannot control.

I do not deny that there are experts in the minister's department who are very reputable individuals. But when we see that ideas they put forward are at variance with the ideas of informed people in the United States, it seems to me we should take a much more careful look at this matter. Why do we not call other witnesses from Washington or from the Canadian Armed Forces, where there are many experts, in order that we may be properly advised? Certainly the little seance we had in committee did not convince the members of that committee that this program is economically feasible. There are certain points about the satellite program that most people, including members of this house, do not understand. I do not understand many of the things involved and I think it is high time that some of them were explained.

Although we are not all technical experts we have a measure of intelligence and can understand the basic points of the system. We

talk about shooting up a satellite. In committee I asked questions about space, something people do not generally understand. I asked whether space is available up there because it appears that space is quite limited. The answer I received was that space is definitely limited but that at the present time there should be no difficulty at all for Canada to receive, as a result of going through appropriate international procedures of registration with the I.T.U., a parking space for our satellite. Although the minister took this answer at its face value I do not think the committee ought necessarily to take it as the gospel truth. Certainly we feel that we will be able to obtain space up there for our satellite, but we must admit that at present we do not have a designated space. That state of affairs may have changed but that was the situation when the committee met. It is necessary to have international agreements in order to reserve space for our satellite.

Also to be considered in any international agreements is the question of frequencies for broadcasting, something that Canadians and hon. members may not be aware of. I suggest it is quite possible that those working on the project have been so carried away with the beauty of the idea that they cannot see the forest for the trees. It is time that we studied this matter carefully in committee.

When we were pursuing this subject in committee I suggested that United States Officials felt that a domestic satellite system for the United States was too expensive for them. They think it is too expensive for them but we do not think a satellite is too expensive for us. Usually the United States does not shy away from anything that is costly. Surely it will cost us just as much as it would have cost the United States to instigate this sytem. Furthermore, it is not only a question of putting a satellite into orbit. There is also the question of land stations. Although we have a certain number of land stations it seems that they cannot be used for satellite transmission purposes and that we shall have to build other land stations. Specialists of the minister's department believe that the whole satellite program will only cost between $50 million and $60 million. Frankly I am sceptical about those figures because, from what I have been led to believe by people outside the government, the cost of such a system could be a minimum of $200 million a year. If that is so, although such a system would be very nice, Canada simply cannot afford it.

[Mr. Stewart (Cochrane).]

I have raised these questions, Mr. Speaker, because instead of trying to figure out how best to organize the proposed corporation I suggest the entire matter ought to be referred back to the committee immediately so that experts may be called to give their opinions. Neither the minister nor any other hon. member wishes to be sold a bill of goods by people who may be very well meaning but not completely informed. I suggest that it is up to us to scrutinize this entire matter much more carefully than we have done.

Mr. Max Saltsman (Waterloo): Mr. Speaker, may I remind the minister of some history, because it seems to me that in this legislation he is repeating the tragic error that was committed when the Conservative government of 1934 introduced the Bank of Canada Act. The government of that day created the Bank of Canada, with shares to be issued to the general public. There was great controversy over that and it was pointed out, just as it has been pointed out to the minister in this debate, that it was most important to the national interest for the nation to have control of its financial institutions. The Liberal government of 1936 decreed that the Bank of Canada should hold 51 per cent of the shares, with the public holding the rest. Actually the government of Canada held the bank shares. In 1938, if my dates are correct, the Bank of Canada became a wholly owned government corporation belonging to the people of this country. There were good reasons for making sure that the bank was an instrument wholly owned by the people of Canada just as there is an excellent reason for saying that the satellite corporation ought to be wholly owned by the people of Canada. The same difficulties which arose with the Bank of Canada will plague an organization with this three-legged stool, as the minister refers to it. It may become to be known as a Triton with horses each going off in a different direction. The minister is setting up an organization which is impossible from any point of view.

• (4:00 p.m.)

My reason for supporting the amendment of the hon. member for Selkirk (Mr. Schreyer) is not that I have a particular grievance with private ownership as against public or mixed ownership. That is not what I am arguing. In this case the reasons for public ownership are so compelling that they should be acknowledged and recognized by the minister. I can think of many cases where I would be

in favour of mixed ownership and some cases where private ownership could do an excellent job. In some areas private ownership does an excellent job, but certainly not in the case of a communications system which, in the minister's own words, is of national significance and importance and is vital to the future of this nation.

As in 1934, there are very few in this house who would quarrel with the objective of the corporation. We say yes to a satellite, but the quarrel today is the same as it was then. How shall it be financed, how shall it be run, and to whom shall it be responsible? What are the minister's arguments against having this corporation completely publicly owned? They are identical in some ways with the arguments advanced in 1934 that the expertise for running an organization like the Bank of Canada did not exist outside of the banking fraternity. It was said that if we were going to make the bank work we had to involve the bankers and draw on their vast knowledge and expertise.

This is one of the reasons the minister gives for bringing the common carriers into the corporation. Does the minister really believe this? He is a man who has had vast business experience and is renowned for picking up corporations and putting them on the right path. He knows that if he needs expertise it can be obtained. There are consultants who can be called in by the corporation. People can be hired by the corporation. The corporation could have a management team that could farm out part of the technical work to the people in the technical field in Canada today. I do not see any great problem in terms of expertise. It is a fallacy that we have to give equity ownership in order to get expertise. I find it difficult to believe that the minister would argue that way.

It was interesting to listen to the speech made by the minister yesterday when he talked about this corporation. Parts of his speech were almost lyrical, for instance, when he predicted the future of this corporation and what satellites can do for Canada. You could see the minister looking ahead and you could almost sense the enthusiasm in his voice. His voice was far less convincing when he put forward his arguments about the financing and ownership of the corporation.

The minister knows it will not be long before the corporation will have to become completely publicly owned. Instead of going through this triton arrangement he has put before the house, I had hoped that the minister would have had the courage to bring about complete public ownership now instead of being dragged into it later as must inevitably happen. I say this because of the conflicts of these three horses all pulling different ways. The common carriers obviously have a conflict of interest. Even if they attempt to resolve their interests in the most honest and diligent way, which I think will be the case, it is unavoidable that they should be drawn in two directions. Do they want the satellite to make money or do they want their interests to make money? How will they act? Will they act to increase the profitability of the corporation or will they act to see that they get the lowest possible rates and make their profit elsewhere? The minister is putting them in a most difficult position which he has no right to ask them to accept.

Private investors have the interest that all investors have. They invest their money and will compare the performance of the corporation against other investments available to them. If the corporation does not provide a rate of return comparable with that of other corporations in Canada, they will withdraw their money. The minister is immediately saddling the corporation with the necessity of producing a dividend and a growth rate at least comparable with that of other investments in the market.

How does the minister reconcile this with the national interest? The national interest may mean that many things have to be done in order to bring the joys of communication and technology to the remote areas of Canada. It is going to be costly. It may not be profitable. How will investors like it when the minister says that the corporation will not make any profit for a while because of the urgent need that Eskimos, trappers and people manning outposts in the northern areas receive the benefits of modern technology? They are going to respond with a very large raspberry. The minister has dealt with investors and should be well aware of this difficulty. Investors want a return. It is going to be very difficult to reconcile the national interest and the interest of private investors. You cannot mix the two. In addition, the common carriers' interest may be in complete conflict with the interest of the private investors and the national interest.

The minister is suggesting an impossible arrangement. I find it difficult to see how

anyone can support it. What are the arguments for nationalization or public ownership? Sometimes the argument is no more than administrative feasibility. Sometimes it is not a question of whether public ownership is more moral or less so than private ownership. If a project is vital to the national interest of a country, the costs of its operation have to be taken into consideration. We have experience with privately-owned corporations regulated by government where there is virtually a duplication of effort. The private corporation is trying to confuse the picture and the government is trying to clear it up to see what the true picture is. When the situation reaches that position, it is no longer a matter of ideology whether these outfits become public corporations. It is necessity for accounting and efficiency purposes that they go into the public domain. In this way the obvious accounting difficulties are eliminated as well as the need to regulate and for them justify their position as private corporations.

• (4:10 p.m.)

Why, then, has the minister brought in the legislation in this form? Perhaps he will say he brought it in for the reason he gave in his speech yesterday. But I and many other people, I believe, find his speech most unconvincing. If I am wrong I would welcome the intervention of the minister to say that my suspicions are unfounded, but I suspect that he and the government have been put into a box. Perhaps the private interests have said that if the government undertakes this project on its own as a completely public corporation they will not use the satellite but will find other ways to develop their programs rather than participate in the satellite program. It may be that the minister has been forced to take in both the public and the common carriers in order to find enough customers for his satellite to justify its cost.

I say this with some sadness because I do not wish to downgrade the minister's vision and his sense of the future. But if he has got himself into this box it is only because the government has refused to use the power at its disposal. It has refused to say that it has the right to act in the national interest and ask the common carriers and others to go along with the people in the national interest. The minister has backed off. I believe that some day he or his successor will have to stand up in the house and explain as well as possible the reason the legislation before us today no longer serves the purpose a few years from now and must be changed.

The minister has said he does not want to see the satellite become a burden. Perhaps I might use his exact words. He said that the government at the taxpayers' expense could build and operate the system by itself but that they had rejected this alternative. Why? If it is to be profitable enough to entice private investment, why does he reject that method if it would result in a profit for the public of Canada? Is it so difficult to raise the financing for profitable operations? I do not believe that is the case. Others are able to do so, and I am sure the credit of the government of Canada is better than that of most other organizations.

Why has the minister rejected the idea of this being a public operation? It would not be a burden on Canadians to finance it publicly if it is to be profitable. It is difficult to understand what the minister's argument is. On the one hand he talks about the national interest and the need to do things that are necessary for Canada. On the other hand he talks about making a profit. He brings in different groups of people who are in opposition to each other; their purposes are not all the same. He brings this jungle into the house and expects us to accept it at face value. I can only say that the minister will have to do much better than this. He will have to be far more convincing in his arguments against public ownership than he has been up to the present.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, I would like to support the remarks made a few minutes ago by my colleague, the hon. member for Lotbinière (Mr. Fortin), and I would particularly insist that the minister answer the questions which have been put to him before this bill is deferred to the committee, so that we can know at the outset what will be the scope of the participation of French Canadians or Quebecers to this bill.

It is all very well Mr. Speaker, to say:

—by combining into a single entity three interests or groups: the government, private industry, which in this instance means the common carriers, and the public at large.

In principle, this seems to reflect very well the intent of the government to establish this corporation. However, in practice, when one speaks of "the government", it is to communications that one is referring and therefore to

the question of language and of cultural content. This is why one must ask oneself: What is it to be? Which government will participate in this project? The bill is far from being explicit in this regard.

In this particular field, Quebec was the first to innovate. A few years ago, the government of that province began talks with the French government in order to establish a telecommunication system by satellite which would broadcast in French.

I fear that through this bill, the federal government is engaging in a game to the finish with the Quebec government. Whoever has the first satellite wins. Therefore, this point should have been clarified. The language in which the satellite will be broadcasting should really reflect the nature of the country. It is not good enough to repeat the minister's words:

> Third, provide an extension of television service in both languages to all Canadians. This satellite, Mr. Speaker, will broadcast both in French and in English, in short it will speak the languages of Canada.

It seems very nice and I could be asked: "Why then get excited, since the minister specifically stated that the satellite will speak Canadian?" But, Mr. Speaker, this is precisely what has been done for a hundred years. What does "to speak Canadian" mean? We have known for a hundred years that to speak Canadian is to speak almost exclusively English. And we know that while television and radio have been in operation for many years, there are still in the country some locations without any French-speaking broadcasting service, even if the Canadian government, had undertaken to establish such a service.

And when such a bill is introduced and the same administration is entrusted with the task of establishing telecommunication by satellite, we are entitled to ask ourselves if the satellite will still be broadcasting in English only.

We are ready to believe in good faith; we have done it before, but we know about the heroic fights carried on to obtain a minimum of justice.

This is why before introducing such legislation, it would have been better to secure the full co-operation of Quebec and other provinces which have important French-speaking minorities, in order to ensure unequivocally that those satellites will really broadcast in French.

• (4:20 p.m.)

That is why the hon. member for Lotbinière asked the minister to advise us further on that point.

We know for sure that negotiations have been held and are still going on between Quebec and France on that matter. What will happen if those agreements become effective? The episode of the international airport will be re-enacted and that must be avoided. Therefore, first of all, we must avoid undue haste in passing this bill, if it is simply to beat Quebec to it, which seems to have been a major concern of the government. It is perhaps for this reason that upon reading the minister's speech a second time, we realize that he very often emphasizes the need for the satellite to be national, from which we gather that if ever an agreement is concluded between France and Quebec for the launching of a satellite designed for transmission in French, it would be an international undertaking.

So, I wonder to what extent the federal government would accept the co-operation of the provinces. In fact, the minister said, and I quote:

> During the past nine months continuous and extensive discussions have taken place with all the parties interested: the potential users, and participants including the common carriers and C.B.C.; the provinces; other government departments; manufacturing industries.

What kind of negotiations were there with the provinces? They resembled those who took place regarding the international airport; we know that what was said in the house is not to be trusted, because even though the government claims that it did co-operate, it denied what the minister stated to the house.

That is why before the bill is referred to the committee, we would like the minister to tell the house immediately what type of co-operation he received from the provinces and, particularly, from Quebec. What kind of guarantee was given to the provincial government? My colleague mentioned it a while ago. This is about communications and, therefore, about questions that are based on culture and education. There is necessarily a difference between the form and the matter. Even if the minister does not want to make distinctions, there is an enormous difference. He must not again get into meaningless struggles which do not lead anywhere. To my mind, politics must

not always be "concentrated" in such a way that they reveal a perpetual conflict between the interests of Quebec in particular and those of Canada.

This game should be stopped and this is why we ask the minister to clarify his position on this subject. He must tell us exactly what negotiations went on with the provinces. How does Quebec feel about this? Let us not, once again, create a situation which will lead to an enormous amount of bickering particularly in the province of Quebec.

Mr. Speaker, I end my remarks by saying that the minister, who is a former member of the Quebec government, is perhaps better able to understand these things and to give us explanations before this bill is referred to the committee.

[*English*]

Mr. Speaker: Is the house ready for the question on the amendment?

Some hon. Members: Question.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

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

• (4:30 p.m.)

YEAS

Messrs:

Beaudoin
Dionne
Douglas (Nanaimo-Cowichan-The Islands)
Fortin
Gilbert
Godin
Harding
Knowles (Winnipeg North Centre)
Laprise
Lewis
MacInnis (Mrs.)
Mather
Matte
Rodrigue
Rose
Saltsman
Schreyer
Tétrault
Winch—19.

[Mr. Matte.]

NAYS

Messrs:

Alexander
Alkenbrack
Anderson
Andras
Baldwin
Basford
Béchard
Bell
Bigg
Blair
Blouin
Borrie
Breau
Brown
Cafik
Carter
Chappell
Clermont
Coates
Code
Comeau
Comtois
Corbin
Côté (Longueuil)
Crossman
Crouse
Cullen
Cyr
Deakon
De Bané
Dinsdale
Downey
Dubé
Duquet
Émard
Flemming
Forest
Forget
Gendron
Gibson
Givens
Gray
Guilbault
Gundlock
Haidasz
Hales
Hogarth
Honey
Hopkins
Hymmen
Isabelle
Jamieson
Jerome
Kierans
Knowles (Norfolk-Haldimand)
Lachance
Lambert (Edmonton West)
Lang
Langlois
Laniel
Leblanc (Laurier)
Lefebvre
Legault
Lessard (LaSalle)
Lundrigan
Macdonald (Rosedale)
MacEachen
MacEwan
MacInnis
MacLean
Macquarrie
McCutcheon
McGrath
McIlraith
McNulty
Mahoney
Marceau
Marchand (Kamloops-Cariboo)
Monteith
Muir (Cape Breton-The Sydneys)
Murphy
Nesbitt
Noble
Noël
Orange
Ouellet
Paproski
Pelletier
Penner
Perrault
Pilon
Portelance
Prud'homme
Ricard
Richard
Ritchie
Roberts
Robinson
Rochon
Rock
Roy (Timmins)
Rynard
Scott
Serré
Simpson
Smith (Northumberland-Miramichi)
Stafford
Stanfield
Stewart (Cochrane)
Stewart (Marquette)
Stewart (Okanagan-Kootenay)
St-Pierre
Sullivan
Thomas (Moncton)
Thompson
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Wahn
Walker
Watson
Weatherhead
Whelan
Whiting
Woolliams
Yanakis—128.

• (4:40 p.m.)

Mr. Speaker: I declare the amendment lost. Is the house ready for the question on the main motion?

Some hon. Members: Question.

Mr. Speaker: Shall the motion carry?

Some hon. Members: On division.

Motion agreed to, bill read the second time and referred to the Standing Committee on Broadcasting, Films and Assistance to the Arts.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty, pursuant to Standing Order 40, to inform the house that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Fraser Valley West (Mr. Rose)—Post Office Department—Vancouver—permanent employees to replace those having casual status.

GOVERNMENT ORDERS

OIL AND GAS PRODUCTION AND CONSERVATION

MEASURE ESTABLISHING OIL AND GAS COMMITTEE, AND REGULATING POWERS OF GOVERNOR IN COUNCIL

Hon. Robert K. Andras (for the Minister of Indian Affairs and Northern Development) moved that Bill S-29, respecting the production and conservation of oil and gas in the Yukon Territory and the Northwest Territories, be read the second time and referred to the Standing Committee on National Resources and Public Works.

Mr. Macdonald (Rosedale): Mr. Speaker, I wish to rise on a point of order. I think there might be general agreement in the house to refer this bill after second reading to the Standing Committee on Indian Affairs and Northern Development rather than to the standing committee indicated in the motion. If the house is generally agreeable to that suggestion, perhaps an order should be made to that effect.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

• (4:50 p.m.)

Mr. Lewis: Mr. Speaker, I had hoped that somebody, either the minister or one of his colleagues, would be making a statement on the bill. I gathered that the Minister without Portfolio would do so.

Mr. Baldwin: There must be someone to apologize for it.

Mr. Andras: Mr. Speaker, it is my pleasure to make a statement in this debate in my capacity as Acting Minister of Indian Affairs and Northern Development. We have before us Bill S-29, an act respecting the production and conservation of oil and gas in the Yukon Territory and the Northwest Territories. The proposed act may be cited as the Oil and Gas Production and Conservation Act. It was passed by the other house on March 20 of this year.

The basic purpose of this proposed legislation is to provide statutory authority for the control and safety of oil and gas operations, and for the prevention of waste of the oil and gas resources within the Yukon and Northwest Territories.

The presentation of the bill to the house for second reading is especially timely as today more than ever before the eyes of the Canadian petroleum industry, and indeed of the international petroleum industry, are on the latent oil and gas resources of Canada's north.

The vast belt of sedimentary rocks which extends northward from the petroliferous sedimentary basin of the four western provinces, down the 1,000 mile length of the Mackenzie River Valley into the Beaufort Sea, and thence eastward through Canada's Arctic islands and under its marine channels almost to Greenland, has long been regarded as highly prospective for oil and gas. However, the industry's interest in these great prospects has been limited because of their isolation from the markets for crude oil and gas, and the attendant high cost of transportation, as well as by the difficulties to exploration and development posed by a rather harsh northern environment.

In recent years, as the demand for oil and gas has increased, on this continent particularly, the search for reserve supplies has

forced the frontier of oil exploration northward from the western provinces deep into the territories north of latitude 60. The frontier was extended in 1968 to the northernmost limits of Canada's land area in the Arctic islands by the operations of Panarctic Oils Limited, a company founded by a consortium of 20 oil and mining corporations in partnership with the government. In this unique far northern venture, the Canadian government holds a 45 per cent equity and working interest.

To date, only one oil pool has been discovered in Canada's north. Oil production from this discovery at Norman Wells about midway along the Mackenzie River has been continuous since the days of world war II. A small refinery was built there during the 1930's to supply petroleum products to the uranium operations at Port Radium.

Numerous small gas pools have been discovered in the Territories in a belt one hundred miles wide bordering the 60th parallel Late in 1967, a large pool was discovered at Pointed Mountain, less than 20 miles north of the tri-corner formed by the conjunction of the borders of the Yukon and Northwest Territories and British Columbia. This large gas reserve is currently being developed and is committed to supply markets in southern British Columbia and the northwest United States commencing probably in 1971.

The announcement of the discovery of probably the largest oil pool in North America at Prudhoe Bay, on the Arctic slope of Alaska, less than 200 miles west from the international border between Alaska and Yukon, has served to trigger the largest rush for oil and gas lands in Canada's history. It has been estimated that the Prudhoe Bay pool contains more oil than the proven reserves of all Canadian oil pools found to date. Petroleum geologists consider the prospects for such elephant-size pools in Arctic Canada are excellent. Consequently, since the discovery of Prudhoe Bay, exploration permits covering over 180 million acres of Canada oil and gas lands in the Yukon and Northwest Territories have been issued—doubling the amount of land previously held under exploration permits.

The optimism for early significant oil discoveries reflected in these many interrelated events has served to escalate the amount spent on oil and gas exploration in Canada's North in 1968 to over $30 million, and exploration is expected to double in the next few years. With exploration at a high pitch, discoveries are almost certain to follow, and the need for legislation to control production, conservation and safety in respect of development of this resource is both immediate and critical.

The need for the proposed legislation before us today was recognized by what is now the Department of Indian Affairs and Northern Development in 1960. Over the last eight years, work on drafting the act has continued. This included research into the nature of the matters included and a study of comparable legislation in the western provinces. Extensive formal discussions were held with representatives of the petroleum industry both individually and through the Canadian Petroleum Association, and consultations have taken place with appropriate senior staff members of the National Energy Board, the Department of Energy, Mines and Resources and other departments concerned.

The bill as drafted is divided into several parts. Part I treats regulatory powers in respect of production and conservation and defines waste. Part II specifies various production arrangements including pooling and unitization. Part III describes the means of appeal and administration. The forepart of the bill provides for the constitution of an oil and gas committee for the purpose of any inquiry, hearing or appeal, or the making of any order pursuant to the proposed act. The jurisdiction and power of the committee are described, as is the manner of the enforcement of its decisions.

The bill deals with a highly technical subject, one which I suggest could best be reviewed in detail during committee hearings when we we can provide and ask various experts to explain in familiar terms exactly what is being done. However, the bill does express certain policy approaches which I think it would be desirable to point out at this stage.

The underlying concept of the bill, which is common to similar legislation in several provinces, is the prevention of waste and the conservation of the oil and gas resource in the sense that as much as possible must be recovered from the reservoir during the time an oil and gas field is in production. We do not find the same conservation philosophy applying in the case of mining since, in general, it is usually possible to open up a mine again and to take out ore which may previously have been considered uneconomic. In general, this is not possible with an oil and gas field. If we were to allow an oilfield to be produced at its

first initial flush rate of production we would soon find that the reservoir energy, which is what pushes the oil into the well bore and often to the surface, would be dissipated very quickly with the consequence that we might recover no more than 5 to 15 per cent of the oil actually in the reservoir. Conservation, therefore, really means getting out of the reservoir as much oil as it is physically possible to do by conserving and even augmenting the reservoir energy.

This is done by first defining what we mean by waste, which is more than the simple idea of just allowing the oil to spill out onto the ground, and then by setting production rates, well spacings and patterns and by ensuring that we find out as much as possible about the reservoir in order to be able to control production from it. All this involves a great deal of highly technical engineering work. The bill provides how this will be done and will authorize the minister and his department to establish producing rates, well spacings, production methods, etc.

• (5:00 p.m.)

Because of the different structure and form of an oil field compared, for instance, to a mine, the engineers very often have to work with indirect information. From time to time there will be differences of professional opinion with respect to the nature of this information and the interpretation of its meaning. Part of the duties of the proposed oil and gas committee will be to look into cases where such differences of opinions arise and to ensure that the interpretation of the information available is as satisfactory and as fair as possible to all concerned.

The bill has been drawn up in order to encourage the employment of the latest techniques in developing oil and gas fields. In particular, it seeks to encourage early unitization on a voluntary basis. Unitization is really the operation of an oil or gas field as if it were owned by only one organization; thus only the minimum number of wells required for efficient production would be drilled and, in theory at least, these wells would be located at the best possible position throughout the field. In addition, early unitization will allow the early introduction of what are known as assisted recovery methods, since it is recognized that rather than wait until the original reservoir energy has been seriously depleted before seeking to replace this energy, the employment of water or gas injection which seeks to maintain the reservoir close to its original energy level is far more efficient and results ultimately in the recovery of more oil.

A further aspect of early unitization and the most important one from the northern viewpoint is that it will help to ensure against over-investment in production facilities. In the early days of the oil industry many more wells were drilled than were actually required to drain a given oil field. Gradually, as more experience has been gained, the number of wells drilled in new fields has been reduced, but in the older fields, of course, all that can be done is to close down some of the wells which still represent an over-investment in production facilities. Oil prices on this continent reflect in part this over-investment and the lack of knowledge at that time.

Northern oil will obviously have to compete in markets a long way from its point of production, and transportation costs will inevitably represent a significant proportion of its total delivered cost. In all probability it will have to compete, in part at least, in overseas markets. To do this it will have to be low cost oil, and we can help to achieve this by encouraging early unitization.

The bill also provides that where the committee considers the lack of unitization is contributing to waste, perhaps by failure to institute at an early stage the assisted recovery methods to which I referred earlier, it may require that the field be unitized within a specific length of time or be closed down. The unitization, however, would still depend upon the parties involved working out between them a suitable plan. Thus, although this might be termed compulsory unitization in a sense, it is not compulsory in the way this is usually understood within the industry concerned. The bill in fact strives to avoid imposing upon industry the detailed methods and, particularly, the way in which the oil and gas reservoirs in a field are to be shared by the private participants concerned. We feel this is best left to the participants.

Provision is also made for semi-compulsory unitization so that where 65 per cent of the owners in a pool have developed a unit plan, the committee may be asked to require the remaining owners to participate. If the committee, after reviewing the proposal, is in agreement, it has the authority to require such participation. The clauses in the bill providing for this can be promulgated at a later date, since we believe industry feels unitization is in its own best interests and that participants in each oil and gas field will

willingly get together. However, the provision is in the bill.

As I said earlier, although standard in many of its approaches to oil production and conservation, this bill, as is expected, has been developed to accommodate the special conditions which exist in the far north. One significant omission is the lack of any provision authorizing the pro-rationing of oil among all producers in terms of market control. It is considered that early unitization will protect each owner within a single oil field, but that it would not be appropriate to require that markets necessarily be shared among several fields. We have set as our objective that we must achieve low cost oil in the north. This means that each well that is producing must produce as close to its maximum rate under as sound engineering practices as is possible. High volume per well means quite simply low unit operating cost.

We know that costs are going to be higher in the north than experienced in southern Canada or in other producing countries, and this must be offset wherever possible. One way of doing this is to encourage high production rates per well. Pro-rationing in the market sense tends to encourage over-drilling. It adds to high operating costs and is usually regarded as a vehicle for high price maintenance. Since northern oil must compete in world markets, artificial devices which operate within a continental framework would simply price northern oil out of the highly competitive overseas markets.

In summary, the bill provides fundamental legislation to permit control of oil and gas production in the Yukon and Northwest Territories which from all current indicators in likely to expand even beyond the greatest expectations of a few years ago. The wise and orderly development of this tremendous potential in the interests not only of the people who live in the region but also in the interest of all Canadians is an important responsibility which now rests upon the government, and at this stage upon the members of this house.

In many respects, this can be regarded as a routine piece of legislation which seeks simply to establish orderly rules of conduct for the industry to which it will apply. However, in addition it will, I am sure, be one of the foundation stones on which this industry will be able to grow and bring about not only a significant contribution to the economic development of the north but also a major contribution to the economy and development of Canada. A discovery like Prudhoe Bay, if situated in northern Canada, would, I am sure, result in this country becoming not a net importer but a net exporter of oil.

• (5:10 p.m.)

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I join with the minister in extending congratulations to all who have made possible the appearance of Bill S-29 before parliament. When I extend congratulations to all who have made possible this important development in our northern resource program they go back over a considerable period in the history of Canada. While it is true that only in the last 10 or 15 years have governments in Canada realized that we have a vast storehouse of mineral wealth north of the 60th parallel, there have been pioneers who caught the vision of our northern potential long before the rank and file of Canadians did, and certainly long before our politicians were willing to accept this viewpoint.

One pioneer I ought to mention is Stefansson who in the decade following 1910 was probably the first Canadian to really appreciate that in her northland Canada had a heritage in resources that exceeded the wildest flights of fancy. Stefansson at first explored under the auspices of the government of Canada. Unfortunately the government later withdrew its support and, as we know, he wound up south of the border where he continued promoting the message, as one who had done considerable exploration and who had lived in the north and among the northern people of Canada, that the northern part of the North American continent was not an austere, formidable, barren and valueless waste but was in reality, as he described in his writings of those days, the friendly north. I suppose he was the first man to promote the idea that Canada is a northern nation, with a northern heritage and destiny. I could mention many other people but I have singled out Stefansson because he was so exceptional and his vision of northern development at that time was unique.

The legislation before the house today I am sure will find support among all parties in the house. It already has found support in the other place. Before being sent to the House of Commons it was discussed extensively in the other place and in committee. Everyone agrees with the principle of the bill and everyone agrees that the time is long overdue for us to take precise and specific legislative action to deal with the orderly development

and conservation of mineral resources which are now recognized as existing in fact and are not a mirage. This is the purpose of the bill as I read it, and that is the emphasis the Minister without Portfolio (Mr. Andras) has given in his introductory remarks.

Actually, interest in northern development has only been aroused in recent years. In 1953 the federal government of the day enacted legislation establishing a department of northern affairs which, for the first time in Canada's history, recognized Canadian responsibility in the north. In fact, there are still members in the house who were present when that legislation was first enacted. The development of the late 1950's and early 1960's was received with some scepticism, which is perhaps inevitable since Canadians, as our history demonstrates, have tended to cluster along Canada's southernmost boundary throughout our entire course of development. The Canadian population is concentrated along the Canada-U.S. border. Someone has said that Canadians live as close to the United States border as U.S. immigration laws permit.

That phenomenon having been part of Canada's history, it is understandable that when the government of Canada between the years 1957 and 1963 began promoting in a major way the concept of northern development, the idea was greeted with some scepticism and even derision. That era has now faded into history and we are pleased that the present government is as enthusiastic about northern development as was the former government of 1957.

To indicate how rapidly interest has grown in prospecting for oil, gas and mineral wealth in the north may I cite some figures. In the late 1950's permits for exploration covered only about 50 million acres. Now 250 million acres are covered by permit. About $5 million was spent on exploration in the early period of development compared with exploration expenditures of some $50 million later when the development program got under way. That is almost as much money as is expended in Alberta yearly, which is the great oil and gas producing province in Canada. Expenditures there average about $100 million per annum.

The bill before us is the by-product of considerable experience, both positive and negative, in oil exploration, conservation and development in Canada. It is not necessary to recite some of the unhappy aspects of this period of development. We learned some hard lessons from our early mistakes in the province of Alberta. These were covered in detail by spokesmen in the other place who dealt with the wastage of the Turner Valley field and with policies of past federal and provincial governments which failed to ensure the protection of this rich mineral resource for the benefit of the people of Canada. These are the less happy aspects of the early exploration period of the oil and gas industry of Canada.

May I now mention some of the happier incidents which really are the basis for the legislation before us today. This bill is actually a result of the work of the National Energy Board, now an integral part of Canada's oil and gas policy. It is a by-product of the national oil policy which is administered by the National Energy Board. I presume that involved in the legislation there will be Canadian participation features to ensure that the resources of the Yukon and the Northwest Territories will be developed in the best interests of all the people of Canada.

• (5:20 p.m.)

I have paid tribute to the early pioneers. There have also been some recent pioneers who should receive honourable mention for making possible the development which we see today. It was in 1961-62 that a group of hardy pioneers first ventured into the high Arctic in search of what was then regarded by the sceptical people to whom I have already referred as an oil mirage. Unfortunately we hear very little mention of the wildcatting, as I think it can be called, which took a group of small Canadian companies into the most remote part of the Arctic islands to drill for oil and gas resources that they felt on the basis of the best geological information available at that time lay beneath the frozen barrens of the Canadian high Arctic in billions of barrels. Two of the moving spirits behind that venture were Mr. Jack Gallagher of Dome Petroleum and Peter Bowden who sent his drilling equipment. It is a saga that should not be forgotten because it pointed the way to the current exploration effort taking place in the Canadian high Arctic.

Many of the people working on the drilling crews acquired their experience in the winter of 1961-62 on Melville Island at Winter Harbour. I remember how these enthusiastic Canadians found it impossible to get Canadian transportation facilities to venture into the high Arctic. They were successful in hiring the *Thora Dan*, a Danish vessel, which ventured into the traditional Northwest Passage

hoping to make Winter Harbour before the ice closed in. The expedition had to depend on charts that went back into the last century and which I believe had been prepared by Perry's expedition. They were the most recent navigational charts available. This fact alone indicates how sadly we had neglected development in the high Arctic. They were racing against time. They were caught in the ice and the icebreaker, *Sir John A. Macdonald,* had to go to the Northwest Passage in order that they could finally make their way to Winter Harbour on Melville Island.

This is a saga of Canadian developmental pioneering in the high Arctic that should not be forgotten. It is amazing how little reference there has been to that first pioneering venture at Winter Harbour. It was that venture which gave rise after several years' delay to the broader Panarctic program and exploration. It is interesting to note that the same Mr. Gallagher of Dome Petroleum is still one of the leading figures from the private sector. His enthusiasm, courage and pioneering vision have made possible this further venture into the Canadian northern regions.

I recall hearing prophesies in those days that these men would find another Leduc in the high Arctic. I recall the sceptics firing back with equal enthusiasm that this was just a little too much for the imagination. Now that Prudhoe has come in, it seems entirely reasonable that had these men been infinitely fortunate they might have discovered the northern Leduc and Canada might now be enjoying the boom that has come to Alaska as a result of the tremendous oil finds at Prudhoe Bay. While these pioneering young Canadian businessmen indicated they could find a northern Leduc, they were realistic enough to recall that it took about 100 dry wells before Imperial Oil finally brought in the gusher at Leduc. As a result of these pioneering efforts we now recognize that these men had a realistic approach toward the prospects of the north. It is encouraging to see that their dreams and enterprise are now going to be interpreted in the specific terms of Bill S-29.

The Winter Harbour exploration, as I recall, went down to 11,500 feet. The drillers worked in sub-zero temperatures that went down almost as far as the well itself. They were working in the extreme cold of the high Arctic, 60 degrees below zero and colder. They worked all through the period of the Arctic blackness. Their only contact with the world at that time was air communication and a radio telephone system which they had set up themselves. They proved the geology even though they did not get gas and oil in great abundance. As stated by the experts in the Quirin report which I believe was published in 1962, we now know that the estimates of reserves in that report of 45 billion barrels of oil and 275 trillion cubic feet of gas were conservative.

There is not much purpose in prolonging the discussion further from the standpoint of general comment. I merely wanted to indicate that a lot of blood, sweat and tears in the past had gone into making this event possible. The bill had very careful study, review and amendment in the other place. It is to be referred to the Standing Committee on Indian Affairs and Northern Development for further study and discussion following second reading. On the basis of closer examination possibly additional amendments and refinements might be necessary. However, Mr. Speaker, I can assure you that the members of the official opposition have no hesitancy whatsoever in supporting the principle of this bill. Had we had the good fortune to continue in office beyond 1963 I am sure the bill would have been before the house much sooner than this.

• (5:30 p.m.)

Mr. Max Saltsman (Waterloo): Mr. Speaker, on examining Bill S-29 one is struck by one obvious value that shines through it. I refer to the government's power to regulate, to control pollution and to minimize waste. If one examines the clauses one cannot help but be satisfied that this bill contains the power to ensure that the benefits from our national resources can accrue to the Canadian people. The real question that arises on an examination of this bill is not in respect of the technical competence of the bill to do the job but whether we will have a government whose policy will be in harmony with, the purpose of this bill only then will we avoid a future sell-out of our natural resources such as we have had in the past. No bill can guarantee that a sell-out of this kind does not take place. That depends on government policy and the willingness of government to act in the best interests of the Canadian people.

This could be very good legislation. I have only one caveat to enter. Clause 6 which appears on page 4 of the bill, reads as follows:

No member of the Committee shall have a pecuniary interest of any description, directly

or indirectly, in any property in oil or gas to which this Act applies or own shares in any company engaged in any phase of the oil or gas industry in Canada in an amount in excess of five per cent of the issued shares thereof.

It strikes me that 5 per cent of the shares can very frequently amount to a controlling interest and anyone holding that percentage of shares who acted on the committee could have a conflict of interests. I would think that particular limitation should be removed. I do not think there should be any question of a conflict of interest for those who serve on the board. I think they should be divorced from any pecuniary attachment outside their work.

The provisions of this bill strike me as being somewhat better than those contained in provincial statutes of a similar nature. They take into account the tragic waste of capital and resources that has occurred because conditions were not laid down in the early days of oil development in Canada. We are still suffering from the failure of provincial governments to lay down guide lines in this direction. In fairness to the provincial governments it must be pointed out that for a long time the oil industry was able to bargain and say in effect that it would go along with whoever would give the best deal. The provincial governments may have had limited ability to stand up to the international giants in the oil industry. It is obvious that this kind of inability does not apply to the federal government. The federal government cannot be bargained off in the way the provincial governments were. Therefore, the federal government can be expected to take a much firmer stand.

There is one area in which the federal government has been very remiss. It has stood by or has actively encouraged wasteful expenditures in the oil industry. The Carter commission pointed out that the depletion allowances which exist in our present tax structure have encouraged more investment in the industry than market forces or any kind of forces, or indeed any intelligent planning, would have indicated to be desirable. The commission pointed out that the special privileges for the oil industry should be removed for two very good reasons. First, the Canadian people are entitled to obtain a reasonable tax from those who use the natural resources of the country. Secondly, this would discourage some of the wasteful investment that has taken place in the oil industry.

At the moment when we are considering oil, we must think beyond its effect on the northern areas of Canada. The whole situation seems to be up in the air. The question of our exports to the United States seem to be somewhat in doubt. It might be useful to look back on Canada's national oil policy, how it came into being and some of the effects of that national oil policy. One cannot help but feel that this national oil policy was not written by the legislators of Canada but was written largely by the international oil companies themselves to suit their particular purpose. A story is told about the way the concessions were wrung from the international oil companies, even the minor concessions which were obtained from them. The Canadian government wanted greater access from the United States market for its oil. The government threatened to build a pipe line to Montreal. The international oil companies opted in favour of a continental oil policy of a type rather than a Canadian National Policy. They responded to a threat from the government of the day and I suspect from one minister in particular.

At this crucial moment it may be necessary for this government to state in no uncertain terms that it is prepared to exercise such a threat again unless a better arrangement is made for the oil industry of this country. It might be best perhaps for the oil industry, and for the nation as a whole, not to even threaten the building of a pipe line to Montreal but to go ahead and do it anyway simply because it might, in the long run, give us a more stable future than has been the case in the past. We paid quite a price for that deal with the international oil companies. The agreement was that Canadian oil would flow as far as the Ottawa River and that the oil needs east of that point would be served by off-shore oil. Although never officially stated, I believe the understanding was that the off-shore oil displaced in the United States would be taken in at the port of Montreal.

By going along with this agreement Canada, in effect, made itself part and parcel of United States foreign policy and part and parcel of the international oil companies' arrangements with countries that were friendly to the United States. I am not aware that this parliament was ever told this was the deal or that this was the situation. Only in the years subsequent to the development of the national oil policy have some of these facts become more clear.

• (5:40 p.m.)

After all the benefits of this vaunted oil policy have been counted, where do we stand today? First of all, we still have a great

imbalance in respect of oil in that we are importing more than we export, despite the fact we are capable of not only supplying all Canadian needs but probably the needs of the United States as well. We have a tremendous capacity in this country. Our exploration costs and our cost of oil recovery are somewhat lower than those in the United States, although perhaps higher than the cost in countries in the Middle East or Venezuela. Our exploration and recovery costs are about $\frac{1}{3}$ lower than those in the United States, yet our prices are among the highest in the world, if not the highest to the consumer.

Someone might say that gasoline costs $1 per gallon in France, but I am referring to the price less tax. We in Canada are paying a higher price for gasoline, less tax, than anyone in any country in the world, and there is no need for this situation. One individual sent me an estimate in which it was suggested that the Canadian consumer was paying approximately $500 million more each year for gasoline than necessary. We have put ourselves in the position of being scared to death about what the United States might do regarding the importation of oil from Canada.

Day after day in this house we have seen concerned members from the West rising to ask the government what is to happen in respect of our exportation of oil to the United States. I can appreciate that western members are concerned about this matter because a great deal of the prosperity and orientation of our western provinces is related to the exportation of oil. It always gripes me to note that these questions are asked with an almost pathetic feeling accompanied by a fear about what we would do if the United States cut off our oil exports. Apparently we should do everything possible to ensure our access to the oil market of the United States.

This situation is a dreadful one for any country and we must find a solution. It is time that we developed a truly Canadian oil policy which made long term sense and put us in a position other than that of a satellite of the United States, subject to the whims and pleasures of lobbying or the changed nature of United States politics.

A number of studies have been conducted in respect of the feasibility of a pipeline to Montreal. Some of these studies were conducted privately and some publicly. Most of them contain arguments that at the present cost of offshore and domestic crude, and the cost of transportation, such a pipeline would not be feasible but would tend to increase the price of gasoline on the Montreal market unless the market were protected.

[Mr. Saltsman.]

These arguments are based on a number of factors. First of all, they assume that the price of crude in Canada at the wellhead is a correct price and that there is no reason to doubt that this price is as low as it might be. These arguments are based on the belief that this price is a realistic one and not related to the United States market. It can be demonstrated that the price of Canadian crude could be substantially lowered, still leaving sufficient profit to those people in the oil industry.

The price of crude oil at Montreal delivered through a pipeline is sometimes based on the cost of transporting oil through privately owned pipelines. The cost of transporting this oil through a publicly owned pipeline has not been calculated. The only figure I have heard as to the difference between the cost of transporting by a privately owned pipeline in comparison with a publicly owned pipeline was the figure given to us at a committee hearing a number of years ago. At that time we asked a member of the energy board whether this would make a difference. He said there would be a considerable reduction in cost as between publicly and privately owned companies. If we are to move crude oil to Montreal it seems we must do so through a publicly owned pipeline.

From all the evidence I have seen, I am convinced that we could probably reduce the cost of crude oil in Canada if we operated publicly owned pipelines rather than the jumble of privately owned pipelines which now exist.

Mr. Woolliams: What about the cost of the arts centre?

Mr. Saltsman: Well, there is a difference.

Mr. Woolliams: Is there a comparison between that cost and the cost of a pipeline?

Mr. Saltsman: I think there is a compelling argument in favour of publicly owned pipelines. This argument may not be acceptable to hon. members in other parties. The hon. gentleman has mentioned the arts centre, but there is a big difference between an arts centre and a pipeline. This is not a fair or a valid comparison. If the hon. member wants to make a fair argument in respect of publicly owned pipelines he should attempt to demonstrate this difference in a more convincing manner.

It is my belief that a publicly owned pipeline can be shown to be more economic than one operated privately, providing there are flow guarantees. Let me read from a report of a commission set up by a privately owned, independent oil producer association in Canada in respect of the outlook for Canadien crude, production and marketing. The consultant was W. S. Levy and Company Incorporated. This report refers to the Montreal market and reads:

> If access to the Montreal market permitted accelerated production of Canadian crude, the producing industry could take a considerable reduction in crude prices without economic loss. For example, with a 200,000 barrel per day increase in production, crude prices could be around 22 cents per barrel lower without any reduction in the present discounted value of future production, even taking a 5 per cent discount factor. And transportation costs to Montreal might be reduced by perhaps 13 cents per barrel, if substantial volumes of Canadian crude were to be moved to Montreal, in addition to the increasing volume into eastern Ontario.

The report concludes:

> The Montreal market is a less economically attractive alternative. But if Canada's expanding productive potential cannot achieve adequate volume in U.S. markets, or if prolonged uncertainty seriously threatens incentives to Canadian oil development the entry of Canadian oil into Montreal could be considered as an alternative. At least to the extent that the preferred alternative of expanding exports proves elusive, the preference for low priced foreign oil in Montreal might also have to be qualified.

The argument is sometimes advanced that if we try to move Canadian crude into Montreal the international corporations which own oil wells in Canada, in Venezuela and the Middle East would cut their prices at the port of Montreal to make sure that it would be uneconomic to transport Canadian oil to that market. They would not be cutting their price, they would be maintaining the price to meet the cost of Canadian crude.

We are not getting any benefit from free entry of oil at Montreal. These companies are adjusting their prices to make sure that the cost of oil at Montreal will enable them to maintain this privileged position. This position is supported by our national oil policy. I think the real question, therefore, as it concerns oil in Canada, is whether this parliament, acting on behalf of the people of our country, will determine the nature and future of the oil industry in the best interests of Canadians, or whether we will permit the international oil companies to do what they think is best in their own interests.

• (5:50 p.m.)

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, in rising to take part in this debate I hold no brief for any particular industry, but I think it is high time somebody from western Canada set out the case for western Canada. We have been talking about the north, and I link what I have to say with the arguments put forward. We have been dealing with exploration in the north and the effect it will have on other oil and petroleum pools and energy resources in Canada, particularly western Canada.

When the Prime Minister (Mr. Trudeau) went to Calgary to speak about the petroleum industry—perhaps I can say this better than most other members who have knowledge of the subject—he did not speak to the people who have knowledge, experience and financial interest in the industry. I do not refer only to the companies but to the people of Alberta. The industry pours a large amount of money into the treasury because we are the only province without a sales tax. I think that even my own friends to the left would see some economic advantage in this.

The Prime Minister did not speak to the oil industry about their problems with regard to trade. Why was this? The reason is that the Prime Minister went to see the President of the United States—he had with him several briefcases of documents concerning various subjects—and left the impression in Washington that we in Canada were going to pull out of the collective defence of the western world. He met with the President of the United States, the Presidents' advisers and his cabinet members. When the President of the United States was vice-president of that great country he had some sympathy for Canada, but on this occasion he had little sympathy for the Prime Minister's arguments with reference to Canadian trade in petroleum and wheat, because of our attitude in reference to NATO.

I think the President of the United States told the Prime Minister that we were not interested in measuring up to our responsibilities as a nation to work with the western world. One can only negotiate with the other side of the world from a position of strength, not weakness. We are taking the French, de Gaulle, line with reference to defence. During the election campaign the Prime Minister told the United States that we would pull right out of NATO. This is the reason he received such little sympathy for Canada's problems in the petroleum and wheat industries. I use wheat only as an analogy. We are already

down 60 per cent in our production. I spoke about this great industry over a year and a half ago and warned the government what would happen to our wheat trade and petroleum trade if they did not immediately come to grips with these problems.

I think this is the message the Prime Minister of Canada got from the President of the United States, because he came back here and said—he was speaking metaphorically, of course—that dealing with the United States was like sleeping with a big elephant. He should have said, in view of the advice he received regarding international policy, that he felt like a mouse caught in the toe of the elephant.

We on this side of the house have for many years been asking questions in order to ascertain where Canada is going as far as the north is concerned. One of the problems is, of course, where is the northern boundary? This problem was not created by this government or parliament. I would be most selfish if I laid responsibility for the problems concerning the boundary of the north on this government. I say this because on July 24, 1964, I asked the following question which can be found at page 5941 of *Hansard*. The question had been asked before in this House of Commons. I asked:

> Could I ask the minister one question? It may be this is not the proper time to deal with it, and perhaps the hon. gentleman would like to answer it later.
>
> Could the minister give some indication to the house, because of the stress on the importance of the north—

I emphasize that this was five years ago.

> —whether there is a definite northern border in Canada; and could he tell us how many oceanographers and other scientists are working at the present time in defining a true northern boundary for Canada? It seems to me very important that this should be done, particularly with the type of world in which we are now living.

The Minister said he could not answer the question but would look into it. These matters are very important when we are dealing with a bill which will affect the great, wealthy resources of petroleum that are to be found in the northern islands of Canada. In this respect we have a conflict with the United States. If our border does stretch to the far northern islands, we are only twelve miles from the U.S.S.R.

The Acting Speaker (Mr. Béchard): Order. It being six o'clock, I do now leave the chair to resume the same at eight o'clock.

At six o'clock the house took recess.

[Mr. Woolliams.]

AFTER RECESS

The house resumed at 8 p.m.

CANADIAN NATIONAL RAILWAYS AND AIR CANADA

REFERENCE TO COMMITTEE OF ANNUAL REPORTS, BUDGETS, ETC.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I wonder if I could have the consent of the house to revert to motions for the purpose of putting to the house the motion with regard to the reports of the Canadian National Railways and of Air Canada.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Macdonald (Rosedale): It has been suggested that the annual reports for 1967 of the Canadian National Railways and of the Canadian National Railways securities trust as well as the auditors' report to parliament on the accounts of the Canadian National Railways system for 1967, all tabled on September 16, 1968, and the annual report for 1967 of Air Canada and the report to parliament of the auditors on the accounts of Air Canada for 1967, tabled March 14, 1968, be referred to the Standing Committee on Transport and Communications.

Perhaps, if the house is agreeable, that could be made an order of the house.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, we are quite agreeable to that and we are glad that the government has finally decided to do it.

Mr. Macdonald (Rosedale): I am glad the hon. member's colleagues have withdrawn their opposition.

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It is so ordered.

OIL AND GAS PRODUCTION AND CONSERVATION

MEASURE ESTABLISHING OIL AND GAS COMMITTEE, AND REGULATING POWERS OF GOVERNOR IN COUNCIL

The house resumed consideration of the motion of Mr. Chrétien that Bill S-29, respecting the production and conservation of oil and gas in the Yukon Territory and the

Northwest Territories, be read a second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Eldon M. Woolliams (Calgary North): In the few minutes I had before supper I pointed out that when the Prime Minister (Mr. Trudeau) went to the United States for consultations with the United States President and his advisers with a view to obtaining a better deal for the petroleum and oil industry as well as for our wheat trade he ran into some difficulty because, in my personal opinion, Canada had failed to live up to its responsibility, so far as the western world is concerned, for the collective defence of the western world. As I suggested before supper, when the Prime Minister said that dealing with the United States was like sleeping with an elephant he probably felt like a mouse caught in the toe of the elephant because he was being squeezed to death as a result of the prejudice to our foreign policy.

I also mentioned the fact that the question of our northern boundary is not a new one. It has been discussed on many occasions. I myself raised the question on July 24, 1964, when I asked the then minister of Indian Affairs and Northern Development, Mr. Laing:

> —could the minister give some indication to the house, because of the stress on the importance of the north, whether there is a definite northern border in Canada; and could he tell us how many oceanographers and other scientists are working at the present time in defining a true northern boundary for Canada?

At that time we were promised an answer, but have not received one yet. This was almost five years ago, and we are still in the same dilemma. We really do not know today where our northern boundary is. This matter is becoming increasingly important in view of the now known and proven reserve of petroleum, our wealthy resources and our mines. I recall my words as they appear at page 5960 of *Hansard* of July 24, 1964. At that time the committee of the whole was discussing the estimates of the department of northern affairs, and during that debate I said the following:

> Mr. Chairman, before going on with a few suggestions in regard to the parks, I would like to say something with regard to northern affairs. I have here a map of Canada which shows Melville Island, Hubert Island, and so on, away up to Alert Point. I have just been told by the hon. member for Northwest Territories that Alert Point is 2,350 miles north of Winnipeg.

I pointed out that the distance from Calgary to Ottawa is 2,600 miles, so it is almost as far from Winnipeg to Alert Point as it is from Ottawa to Calgary. We appreciate therefore, how vast is the north. I also said:

> I have said that it is 2,400 miles from Alert Point to Winnipeg. This is a vast area of our country. We have heard the hon. member for Yukon on several occasions; we have heard the minister and others talk about the vast resources of the north. Those resources are there. Let us make sure they stay Canadian. To do this we should now take a serious look at the matter of establishing our northern boundary. I put this suggestion forward as a constructive suggestion—

Yet, five years later there are members on this side of the house asking the Prime Minister whether the government is concerned with the delineation of our northern boundary. We wonder whether the islands I have mentioned, which contain a proven reserve of oil and a vast quantity of valuable minerals, are within that boundary.

I also said that a case should be made for the west. It seems to me it is high time that some of us from western Canada spoke up for the west. As I said before the supper hour, we have already lost the wheat market. Our exports are down by 60 per cent, and I predict tonight as I predicted before, that we are now about to lose our oil markets. Every day when we question the government we receive the same answers that the matter is being reviewed, that it is being considered, and that task forces are being set up.

• (8:10 p.m.)

The reason the Prime Minister (Mr. Trudeau) did not discuss the subject of petroleum in the City of Calgary is not unrelated with the position he took with regard to NATO and similar areas where he had to deal collectively with the western world. In such matters we can never make a decision ourselves; we can only negotiate from strength. Hence the weakness of the case the Prime Minister presented in Washington. This is what the *Gazette* had to say about the oil situation as early as October 28, 1968:

> Canadian deliveries of crude oil east of the Rockies for October will run around 275,000 barrels daily or under the U.S. suggested ceiling of 280,000, sources here say.

I wonder what the reaction would be in central Canada, the centre of power, where we find the largest number of parliamentary seats. Canada is an anomaly in the world today. It can currently produce over 200 per cent of its current rate of consumption and yet has a net trade deficit in oil of over $200

million per year. The need for a new oil policy is apparent—that is, a policy which adequately recognizes the new developments which have taken place in recent years and the changes which can be expected to occur in the future.

When anybody talks about petroleum today and the national oil policy created by this party when we were in government, he should realize that the policy then set up is as dead today as Marley's ghost. The only reason there is any trade between the two countries today is because that trade is a bit like Topsy. The United States is dictating to Canada, and proper consultation is not taking place because this government is failing to measure up to its responsibility.

What is the effect of all this? Let us talk about grain for a few moments. It is not only western Canada that is suffering as a result of the difficulties facing that industry. When I spoke in Dresden, Ontario 800 men had just been laid off by the International Harvester plant. I understand how some hon. members think about this subject, but somebody has to present the case for the west. We hear it said: They had it good for a number of years. The fact is we are not dealing exclusively with western Canada but with the economy of Canada as a whole. The same holds true when I speak of the petroleum industry. We only produce in western Canada some 40 or 50 per cent of the amount we are capable of producing, taking into account all the rules and regulations in respect of conservation. If the $200 million presently spent on imports were spent in Canada for Canadian crude oil, the total effect on the Canadian economy through secondary and tertiary industries would be approximately $700 million annually. At present we have a trade deficit because, among other things, we are purchasing $200 million worth of crude petroleum from abroad.

Major Canadian banking institutions have calculated that the multiplier effect of money generated in the national resource sector of our economy is approximately 3.3. Canada loses on every barrel of imported crude oil, not only through the foreign production profits which remain offshore, but because each barrel of Canadian crude oil pays more than one dollar in the form of taxes and other payments to Canadian governments. Therefore, to the extent of Canada's crude oil imports, such revenue is lost. Replacement of such imports by Canadian oil would result in benefits being received directly by the citizens of Canada. In other words, what would the replacement of those imports mean to the Canadian economy; what would the effect be upon the taxes which must be collected from the people of Canada. I note in passing that Alberta is the only province in Canada today where there is no sales tax.

If the west is to have respect for any national party sitting in this house, it must immediately be offered a national policy on petroleum. We have already lost our wheat markets, as I have said. Now, we are on the verge of losing our petroleum markets. All the national newspapers are pointing this out. We need a new national, continental oil policy. Such a policy cannot be developed overnight. Complex pressures in both nations make the gradual approach the only feasible one. We have to work these things out in consultation with the United States. This is the point at which I disagree with the hon. member who spoke for the New Democratic party. It is not possible to work out a new oil policy in isolation; one cannot have an isolationist policy in the field of economics any more than in the field of external affairs. Markets can only be found by working in co-operation with nations which are producers, exporters or consumers and arriving at a basic policy which is fair to all concerned. I shall link this later with the development of the north.

To survive in the west today, any national party must come out with a new policy for the petroleum industry. I say at once that there is no chance as far as the Liberal government is concerned. I say this with some sadness in my heart. Never was the Liberal party hated so intensely as it is in the west today, not only because of its attitude to wheat but because of its neglect of the petroleum industry. Some hon. members may laugh, but let them go out west and see for themselves. There is a vacuum, and unless we come forward now with a dynamic policy as far as grain and petroleum are concerned, once again in western Canada splinter parties will spring up as they have done in the past. I have always spoken out against such parties, believing it is only through a large national party covering the whole spectrum of our national life that provinces or regions can develop, because we are all part of one great nation.

Nevertheless, I predict that unless something is done along the lines I have suggested, this is one of the consequences we shall face. I say this because both grain and oil mean so much to the west, and to Canada as

a whole as far as the gross national product and the country's wealth generally is concerned. As I say, we need a new continental oil policy worked out in consultation with the United States, and such a policy can only be negotiated from strength, all the associated problems have to be worked out together, because they are all interrelated.

Oil corporations, international or domestic, tend to accept government guidelines wisely conceived and, in turn, tend to shape policies in the light of their research and experience. I recommend that initiative come at this stage from Canada in a declaration by the government that it endorses the principle of a continental oil policy and is prepared to consult with the United States authorities and the industry to evolve such a policy.

It should state willingness to permit transit over Canadian territory of a major pipeline link between North Alaska and the major inland markets of the United States and transit through Canadian Arctic waters of oil tankers from Alaska. It should set out what it considers to be basic components of a continental policy and its readiness to consult with the United States to establish general guidelines.

We heard this afternoon from an hon. member of the New Democratic party that all those pipelines should be publicly owned. Not so long ago when the C.C.F. formed the government of Saskatchewan we heard that they believed all industry should be taken over by the state. I have only to draw that analogy, as I did this afternoon when I made a remark in connection with the speaker for the New Democratic party, to illustrate what happens when certain functions are taken over by the state. On the other hand, industry is able to build itself up economically and to make certain it performs economically on behalf of the nation.

• (8:20 p.m.)

I did make reference to the National Arts Centre; it is like pouring money down the sink, as is the case with the *Bonaventure*. The same thing would occur if we had state owned pipe lines. Probably they would be built for political reasons only. When votes cease to be important they will cease to be bought.

As far as I am concerned we need a continental petroleum policy for North America. We must consult with industry and build pipe lines that will be for the advantage not only of this country but of the United States and Mexico. We must build pipe lines that will enable us to develop the petroleum resources that are ours, not only on the prairies but in the far north as well.

We have had in the north the discovery at Prudhoe Bay, developments in Alaska and also in other northern islands. These have shown there is a great pool of crude petroleum in that area. If we do not make a move now to negotiate with the United States on a continental oil policy, the United States in a short time will build a pipe line from Prudhoe Bay to Anchorage. And why shouldn't they, Mr. Speaker? Why wait for Canada? We are not very sympathetic to some of their causes, so why should they be sympathetic to some of our economic problems? Having built a pipeline from Prudhoe Bay to Anchorage, the large freighters that are built today will transport crude petroleum from there to Vancouver and on to Seattle, San Francisco, Los Angeles and Mexico. At that stage what little is left of the wreckage of our national oil policy will disappear and the markets for the prairies will have gone.

The United States knows that Canada is a safe place for investment. As a result, it will develop these pools of petroleum knowing full well that the demand and need in the future is such that they can always come back to western Canada where this petroleum has been developed. Now is the time to make a move and take a decision on this policy. It is no time for reviews and for task forces. I do not know—no one in this house knows—what is going on between this Liberal government of Canada and the United States government in the matter of petroleum. We cannot get any answers. The Prime Minister (Mr. Trudeau) did say that that great gladiator, this fighter for the west, the Minister from Saskatoon, would be making a statement soon. He has not done much for the grain industry, but I hope he will do a little more for the petroleum industry.

I should just like to summarize what is going on so far as the north is concerned. In recent months an oil field that may prove the largest ever in North America was found at Prudhoe Bay, on Alaska's Arctic coast. It has stimulated a massive exploration program in Alaska and speeded a multi-hundred million acre play in northern Canada.

This development has presented a challenge to the governments and oil industries of the two neighbour nations of North America. That challenge demands a continental oil policy to succeed the informal arrangements—and they are very informal—between Canada

and the United States that have grown in the past decade of expanding western Canadian oil potential, declining United States oil security and increasing uncertainties of oil supplies.

Prudhoe, and the expanding Canada oil search, have made a new ball game, and new ground rules are needed. Economic interests of Canada and the United States, continued adequate growth of reserves and security demand that the North American nations and their oilmen gather facts, bargain hard, and evolve new continental guidelines. The faster that is done, the sooner will Arctic resources join others on the continent in creating an economically secure energy supply for the growing hunger of years ahead.

With the reserves not only in Alaska but in the Arctic, in northern Canada and on the plains, the oil market should be prorated so that everybody gets a percentage. In our national oil policy a deal was struck with the United States. My good friend from the New Democratic party said this afternoon that we should not make deals like this, but you cannot live in economic isolation. The deal we made was that we would permit Venezuelan crude petroleum to come into Canada as far as the Ottawa valley, serving the concentrated population areas of eastern Canada, providing the United States would let us have a certain percentage of the northwest market down to Chicago and Toledo.

Why did we make that deal, Mr. Speaker? First of all, it was to secure a fair market for Canada, rewarding those people who had invested their money in this country as well as assisting the growth of the industry. We also made this deal because we knew, as did the United States, that in order to keep both North America and South America free from a Communist revolution we would have to encourage trade. Therefore, this deal was struck to permit Venezuelan crude to come to eastern Canada, thus keeping trade between Venezuela and Canada and Venezuela and the United States in a healthy condition. That is the real reason behind the national oil policy, but as I have said it is now as dead as Marley's ghost.

On top of this we now have this tremendous development in the north, with the serious possibility that in the near future Alberta, Saskatchewan and even Manitoba will be bypassed as far as markets for natural gas and crude petroleum are concerned. We on this side of the house say that it is high time that the government brought in a new oil policy. It is high time the government negotiated with the United States and advised parliament of their decision. But this government never seems to learn. It is a cabinet government that does not know that parliament is the place to seek information, to make suggestions, as I am now doing, suggestions that have been prompted by the serious nature of the events now taking place in western Canada.

I repeat that as far as the west is concerned, having lost our agricultural markets we are now about to lose our petroleum markets. Depressed economic conditions are, sowing the seeds of the formation of a new splinter party, a party now seen to be sprouting in the west,—and let us be realistic and face it—that leans towards separation from this nation. Who has sat in this chamber for a period of time, even for the period that I have sat here, and does not believe that Canada is a great nation that can only be held together when we all appreciate each other's economic problems from the maritimes to Victoria?

The Prudhoe Bay development means that the great trio of North American oil states is becoming a quartet, spread from the Arctic to the Gulf coast. Number one is Texas, with proved petroleum reserves of about 19 billion barrels. Its gulf neighbour, Louisiana, is approaching nine billion, slightly behind Canada's Alberta in the heart of the continent. Prudhoe could give Alaska over the next year or two as much as 10 billion barrels proved. And northern Canada could make up a quintet soon after. In fact, "oil giants" need not stop at five.

Prudhoe came at a time when exploration was already spreading in Canada beyond the Alberta heartland into geologically favourable regions across the nation. Stimulated by Prudhoe, the Canadian play now covers over one billion acres, over 1.5 million square miles, under exploration permit or lease.

We heard this afternoon that we had encouraged too much investment in developing the petroleum industry. Surely we cannot have too much capital to develop this kind of resource. We need all the capital we can get to develop these resources and markets so that we can balance our trade with other countries, increase our gross national product and not have to go to the little wage earner for more taxes. We must increase the industrial growth of this nation, and that is where I part company with the Socialists. I cannot understand their arguments. Fancy having an

hon. member say this afternoon that there is too much investment in Canada in the development of oil! If we adopt that kind of thinking, Canada will remain forever in the dark ages.

• (8:30 p.m.)

May I now say a word about natural gas. There has been tremendous development in the last few years in this field and western Canada needs more secondary industry. Natural gas is being piped from western Canada to eastern Canada and the United States. We do not have in our area concentrated centres of population. We ought to develop secondary industry so that western Canada could use, as a raw material the available natural gas. Certainly, our natural gas will enable secondary industry to be established in our area and the entire nation will benefit economically.

My last thoughts are these, Mr. Speaker. I note that not many government supporters are here. I plead with the government, nevertheless, to come forward with some petroleum policy which will answer our needs. If the minister does not think Canada is ready to negotiate a new continental oil policy would it not be more honest for the government to come to the house and tell us the truth, so that our people may know the truth. He should be honest with us instead of hiding the facts and talking about establishing task forces and conducting reviews.

Not only should we be advised of the truth of the situation, as we ought to have been advised by the minister some months ago with respect to the grain industry, but the minister ought to tell us exactly what the government's approach to this problem is. I ask the minister to consider setting up a committee composed of hon. members of this house and of the other place so that we may talk with congressmen in the United States, set before them Canada's position and try to work out a new continental oil policy under which Canada gets a square deal in the North American petroleum market. The taxes that this industry can pay will be enormous and could go towards establishing secondary industries in this nation.

The economic health of central Canada is not good. I expect that the other hon. member for Calgary will make a plea similar to mine. I expect he will advocate that we take a new look at the petroleum industry. I have always said that we westerners must stick together. Our differences in this house stem from the differences in the areas we represent rather than from any political differences. I have always maintained that. It has always been a rule in this house that one stands to talk and sits to listen. For too long has this country taken the idea for granted that everything in western Canada is extravagantly wealthy and that we are living in luxury. Our agricultural industry faces its most severe crisis since the 1930's. In western Canada we are moving toward a recession the like of which has not been seen since the 1930's and the petroleum industry also will soon move into a recession. One is always proud when the Prime Minister (Mr. Trudeau) visits one's city, but I say to the government that the reception he received the other night will be as nothing to the one he will receive six months from now if he does not make a very clear and honest effort to improve the situation of the people of western Canada. I say to the government that we are on the move. If we do not get help here we shall get it elsewhere.

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, I wish I could share the feelings of hon. members who congratulated the minister early today for introducing this legislation. They said it was timely legislation. Frankly, I had hoped that by this time we would see tremendous oil discoveries in the Northwest Territories and the Yukon and that this legislation would be late in coming. We have been disappointed in this regard, and the legislation is timely.

The first oil and gas conservation legislation in Canada was enacted in the province of Alberta in 1938 and our basic conservation concepts have remained much the same. They are, to effect the conservation of oil and gas resources, to prevent their waste, to secure the observance of sufficient and efficient practices in the location, spacing, drilling, equipping as well as the operating and abandonment of wells. In short, that concept covers all aspects of the production of oil and gas. Another aim of our legislation is to afford the owner of the producing property his just and equitable share of the production of any pool.

As I say, this legislation was pioneered in Alberta. We had the benefit of experience in the United States and we did not have the benefit of any experience in Canada. It is interesting to note some of the similarities and differences in the present legislation and legislation which was pioneered in Alberta. That legislation, incidentally, formed the

basis for the Norwegian government's legislation after petroleum had been found under the North Sea adjacent to that country.

In Alberta we have a mixture of freehold and Crown lands. In the Northwest Territories mineral rights are all vested in the Crown. In Alberta, the Oil and Gas Conservation Board is a body corporate and in the proposed legislation it will be a committee serving under the minister. In Alberta, the operations of the Board are financed by the province and by private owners. Under the proposed legislation the operations of the committee will be entirely government financed. In Alberta, the Board controls its own expenditures, has the authority to hire its own staff and determine what facilities it requires. Under the proposed legislation, the committee will be dependent entirely on the minister and on Treasury Board.

All these differences, I take it, stem from the basic fact that in that province we have freehold and Crown land whereas here we are dealing entirely with Crown land; and there can be no objection in principle to these differences. There is one distinction in this proposed legislation which I think is remarkably progressive. The Conservation Boards or members of Conservation Boards of the various provinces are entirely appointed by the Lieutenant Governors in Council. Under this legislation, we are to have a five man committee, and two of those men must be from outside the public service. Furthermore, one of those two outside members must be present at any meeting in order to make a quorum. That is something the petroleum industry has been urging for a long time in the province of Alberta. I am very happy to see that the federal government has taken the initiative and got off on the right foot by implementing this suggestion immediately.

The hon. member for Waterloo (Mr. Saltsman) was worried in case one of those outside members might have some interest in the petroleum industry. I think he referred to the provisions of clause 6. I take it that clause 6 provides they may have no direct interest in any oil plans over which the committee would have jurisdiction, but they may have an interest in the petroleum industry or a company connected with the petroleum industry in Canada. I feel it would be very difficult in this particular industry to obtain the services of the type of competent person that will be required on this board. Almost any person who is the least bit knowledgeable in the industry has some investment in it. That is one of the nice things about it.

• (8:40 p.m.)

We are not talking about an industry that is looked at remotely as some people who advocate nationalized industries tend to observe them. This is an industry in which almost everyone who is the least bit successful has a very intimate and particular concern with what they are doing. I have dealt at some length with the act and do not want to be any more particular. This is not the time to do that.

I was very interested in the brief survey of the oil discoveries in the area that this will cover which the Minister without Portfolio (Mr. Andras) gave. He pointed out that the only oil in that area to date is the Norman Wells discovery which was made in the early years of the war. There are numerous small gas pools and more recently a large gas pool was discovered. Those small gas pools may be small by standards of the Northwest Territories, but the fact is the ones there today would very definitely be commercial reserves were they located closer to markets than they are.

I do not think from what we have in the way of discoveries there can be any doubt in the long run we are going to have a major gas industry in the Northwest Territories. About two weeks ago a $1.4 billion project to pipe gas from the Liard River Valley and from portions of the provinces of Alberta and Saskatchewan was announced. For the first time, gas from the Northwest Territories will be going into the United States midwest market.

While the people at Prudhoe Bay may contemplate building a pipe line across Alaska and sending the oil across the west coast to market, there is no way they can economically move gas that way. The gas that comes out of prudhoe Bay will have to come down the coast of the Arctic Ocean, down the Mackenzie River valley and through the western provinces to the United States.

Gas is something that has been rather neglected by people talking about the oil and petroleum problems of western Canada. In 1957 the United States imported about 60 million cubic feet of Canadian natural gas per day. By 1968 this volume increased to 1,570 million cubic feet per day, approximately 2,500 per cent. This year it is anticipated it will reach approximately 1,800 million cubic

feet per day. During the 1957-67 decade, the United States proven gas reserves increased over 20 per cent while its demand for it increased some 50 per cent. The reserves of gas in the continental United States over the ten year period 1957-67 were reduced from 21.4 years to slightly less than 16 years' supply. To maintain the inventory of 16 years' supply by 1980, just 11 years from now, will require the discovery of some 450 trillion cubic feet of new reserves, which is double the discovery rate which has been experienced in the continental United States in recent years.

If only the present discovery rate is maintained, the supply of gas available in the United States by 1980 will be reduced to less than eight years. Incidentally, during this same decade, 1957-1967, Canada's proven gas reserves increased by about 125 per cent to 46 trillion cubic feet, this despite a five-fold increase in production. At the moment we have a life index of gas in Canada of 37½ years. That is over double that of the United States. We are finding new reserves at nearly triple the production rate while the United States is finding new production on the continent at one-fifth of the rate at which their requirements are increasing.

There is no way gas can economically be sent by ship at the present time. An experiment is being conducted sending gas from Algeria to England. This gas lays down in England at a price of approximately $1.28 per 1,000 b.t.u.'s. This is over ten times the economic price of gas delivered in the North American continent. We have a very great bargaining point with the United States. They need our gas. There is no way the new production they have in Alaska can meet their gas demands. The government of Canada must use this bargaining point in dealing with the United States. They need and want our gas and they can take a fair share of our oil with it.

The Canadian government today is in the petroleum business in a very large way. The oil play connected with Canada stretches some 3,500 miles in an east-west direction and 2,200 miles from the 49th parallel to within 600 miles of the North Pole. It includes 400 million acres in the heartland of current production in the provinces of Alberta, Saskatchewan and northeastern British Columbia. It includes 310 million acres in the Yukon and Northwest Territories, Beaufort Sea and throughout the Arctic Islands. Some 200 million acres are held offshore north of Labrador, Newfoundland and Nova Scotia and west into the Gulf of St. Lawrence. An additional 100 million acres in the Hudson Bay and 16 million acres off the Pacific coast of British Columbia are presently under exploration.

Over $1.3 billion will be spent this year by the petroleum industry in exploring Canadian land, most of which will be spent in the province of Alberta, but many millions will be spent in the Northwest Territories and other areas. To give a comparative figure, it is estimated that approximately $100 million will be spent this year in Alaska in expanding the Prudhoe Bay find. It looks very much as though the prospects of the Canadian oil industry are not as dark and gloomy as some would have us believe. North America is the world's largest oil consumer. We use approximately 14½ million barrels every day and this figure is being increased each year by half a million barrels a day. Current supplies include over 2½ million barrels daily of net imports from overseas. Even with Prudhoe and other new domestic sources, it does not appear as though the continent can greatly reduce these imports.

• (8:50 p.m.)

By the mid 1970's our requirements will be 3½ million barrels per day greater. By 1980 our requirements will be 7 million barrels per day greater. In other words, we will be using approximately 20 million barrels a day at that time and yet our proven reserves are only about 50 billion barrels. That is a 12 year supply at the present rate of consumption. It would be less than the 10 year supply by 1980. This is taken in a continent where we have regarded a 12 or 15 year supply as being strategically safe. The figures in respect of the world's oil supply might even impress a legislator who is accustomed to dealing with the vast millions of dollars which come up all the time in the estimates. I believe it is important to realize how large this industry is in the world and in Canada. However, I do not think the net result of these figures perhaps gives rise to the panic the previous speaker expressed when speaking of the oil industry. The oil industry has some long range problems. On the other hand, it has never had a better year than this year, 1968. Every annual report of the companies engaged in this industry shows records in all the positive categories. I do not think the people who purport to serve the best interests

of the nation or the petroleum industry are in fact doing so when they push the panic button.

The industry has some long range problems but I really do not feel we can regard the oil industry in the way in which one Calgary newspaper did recently when it spoke of it shortly after the Canadian Petroleum Association convention as a beleaguered, industry in its hour of need. That is not to say that the industry does not have problems; it does. One area in which I must confess I agree entirely with the hon. member for Calgary North (Mr. Woolliams) is that when coming here from the west I found when I spoke about oil problems I was greeted as someone who purports to lobby for the two or three dozen oil millionaires who undoubtedly do exist. I am not nearly as concerned about them as the three-quarter million people in western Canada who are directly or indirectly dependent upon the petroleum industry for their support. This is an area in which I find difficulty in getting the message across. Sure, there are millionaires but there are a great many families there also.

Fifty per cent of the new employment in Alberta since the end of world war II is directly attributable to the petroleum industry. Twenty-five per cent of the new employment for the same period in the province of Saskatchewan is attributable to the petroleum industry. This industry is as vital to the prairie provinces as is grain and as is manufacturing to the Niagara peninsula. It seems, however, that when we talk about this industry and its problems people seem to think we are talking about an industry that is supporting not a great many people but a handful of new millionaires. This is an attitude which must be changed in the administration because it is something with which the people in the west simply cannot live.

I was very pleased the other day to be informed in this house by the Prime Minister (Mr. Trudeau) that the officials in Washington are discussing not just a continental oil and gas policy but a continental energy policy. I would have thought that by now the members of the opposition would have solicited the answer to the question remaining in my mind with regard to whether this involves our water resources as well. If it does this would open up some very interesting bargaining points for Canada when dealing with the United States of America.

We know that the interests in the United States have been looking for a share of our water resources for a long, long time. I do not want to impair the negotiations at all but I am hopeful that in taking a look at the overall energy situation on this continent all forms of energy will be included because, if so, we have a great deal to sell the United States which cannot be supplied by Prudhoe Bay or by other parts of the United States.

Mr. F. J. Bigg (Pembina): Mr. Speaker, I am very pleased that Bill S-29 is before us and that the government is taking this step in bringing some order to the petroleum industry, particularly as it affects the new frontier of the north. I do not think the importance of this bill can be over-estimated. However, I do not believe we really understand how important it is. As has been said today by the former minister of northern affairs in the Diefenbaker administration, a great step forward has been made in the north and the vision has caught on. But it has not entirely caught on yet. The people of Canada still do not appreciate the whole purport of what will happen if we do not take immediate steps to grasp the opportunities which exist. In some cases this may be the last opportunity we will have for perhaps 25 years. This great new resource which has been discovered, particularly on the shores of the Arctic, is extremely important. It will have a great effect on the settled areas of the three prairie provinces.

If we are not very careful our great opportunity to take part in this new development will slip through our fingers. Instead of being a great opportunity for Canadians to take advantage of this new development, it may well be a crippling blow to our own petroleum industry for a period up to 25 years. I would suggest that because we have no merchant fleet of any note we should get cracking on a pipe line, not just a pipe line but perhaps many pipe lines. If we supply the facilities first to move this oil rapidly and cheaply to the heart of the north American continent, we will have a great deal to say about the industries which will spring up along those pipe lines. In this way we may be able to compete with the cheap ocean traffic which we know is a great threat to any other form of transportation on this planet. I would like to see us build ships, but I think it is too late now to recall the warnings we had over the past 20 years in respect of Canada's merchant shipping. So, I am limited to the very narrow point of begging that we get cracking on an oil policy for Canada so that we will

have the ability to move this oil to the continental markets of the United States.

If we have this ability to move the oil and gas, we will derive the benefit of the employment which will result from the building of the lines. In addition, frontier towns will spring up. We will not only have the benefit of these lines but also of the industry which will grow up along these pipe lines for the next 100 years. If we do not do this, we will lose this industry.

• (9:00 p.m.)

I have seen editorials in newspapers throughout the United States and across this country which indicate that Alaskan authorities are worried about this very thing. These people want to build up a great sea-going complex. They want to build a great Arctic port to handle this oil on behalf of this country. If we build this series of pipe lines which I envisage we can help develop our own reserves.

It is not only Prudhoe Bay that is rich in oil. We have every reason to believe that Prudhoe Bay is only a small part of a much larger field which stretches throughout the Canadian north, the Arctic islands and the ocean beds which are close to Canadian soil. It is expected that these reserves will prove within the next 25 years to be so large as to dwarf the Prudhoe Bay potentiality. It is only through the establishment of pipelines that we can expect to handle this development. This is our opportunity and we must move quickly.

It is my hope that the government will not listen to those on my extreme left who advocate the development of this area on the basis of a government monopoly. People living in high rise apartments in large cities must have a source of income. We must make some claim to cut in the people of Canada on this development. We must work out an ideal situation closely tied with our tax structure to encourage these people, particularly the young, to take advantage of this opportunity to go north during the summer months. These people who are attending university could well spend these few months exploring this area and constructing these pipelines. We should encourage them to do so through tax incentives. Perhaps we should provide a five year tax moratorium in order to develop this area while at the same time helping these young people to finish university. This would amount to an investment in this country. The experience would be an advantage to these young people when they are living in high rise apartments in large cities. These people must have an income greater than what they might receive from relief. This is a new frontier and it needs developing.

This new development represents something greater than the biggest gold rush of our time. I have in mind the oil reserves in the Northwest Territories, the Arctic and those areas adjacent to this country. These areas are also rich in copper deposits and those water resources to which the hon. member for Calgary South (Mr. Mahoney) has referred. We must take into account not only the oil reserves and an oil policy but also a transportation policy. We must provide transportation facilities in the north, particularly along the Mackenzie River. Perhaps the best way to do this is by building pipelines.

When I first came to this house 11 years ago, I was aware of the tremendous value of the tar sands in northern Alberta. I am afraid these will not be developed for a number of years but they will still exist after we have taken the oil from the Arctic islands. This resource remains for future development but such development will require vision and encouragement. We must now grasp this vision of northern development, and we must do something about it.

I could not agree more than I do with my confrere, the hon. member for Calgary North (Mr. Woolliams), when he suggests that we cannot expect the United States to co-operate with us on an economic basis unless we in turn co-operate with the United States both economically and ideologically. I believe that we are much closer in agreement with the ideology of the United States than ideologies held by other countries. Our future depends on the joint security of North America.

Those ideals held by free countries in Europe upon which we relied are no longer reliable. These countries are now vulnerable. If we stand with our friends here in North America we may well find that in the year 2000 this area will be strong and free. We in this country must be prepared, as a part of North America, to defend ourselves. We must co-operate in this regard with the United States. We must not make this country a haven for those individuals who run away from their duties south of the border. We must do something more than criticize. We must prove that we are willing to enter the 21st century on a bargaining basis backed up by more than just rich natural resources, tremendous water power, fresh water resources,

natural deposits of copper, uranium, natural gas and petroleum. I do not agree that we should enjoy all the benefits of these things as a result of the United States paying the cost.

I would be ashamed to ask anybody to defend my freedom unless I was willing to defend it myself. I am not being partisan. There are a great many members in this chamber who will agree with me. It is time we all stood in this house and made ourselves abundantly clear. At times members of all parties go along with pacifist ideas. Peace in our time sounds very nice, but we must consider peace in our time in relation to what has taken place in Czechoslovakia. I remember seeing a cartoon in 1937 which in effect asked the question, what does Czechoslovakia mean to the average person? In 1939 I found out what this meant. I spent seven years of my life finding out. More than 20 million people lost their lives finding out what this meant, to say nothing of the untold damage, destruction, pain and hardship experienced by millions. We will have peace in our time only when most people are ready to shed every drop of their blood to build their country and defend it.

We in this country are blessed with large deposits of natural resources. We must be prepared to go to the United States and say we are prepared to defend our northern boundary. Perhaps then, we can justify allowing the United States to defend the coasts of this continent. It is easy to go to Mr. Nixon and ask him for a better deal in respect of U.S. markets for oil and natural gas. I do not hesitate to suggest that I could make such a deal. If no one else is willing to see President Nixon, I will go. I am willing to risk my seat in this regard. I would gladly give up my seat if I could not face Mr. Nixon with this kind of a deal, because I am sure that is the kind of man he is. He is like most of the recent presidents of the United States including Roosevelt, Eisenhower and Kennedy. I still like to think that our Prime Minister could go down to the United States and talk in this fashion with the President. If he did not do so on his latest visit, I suggest he should go back.

• (9:10 p.m.)

I have faith that the President of the United States is the kind of man you can talk to if you put your cards on the table. Let us tell him that Canada is not a soft country; that we have a very tough, strong and honest side. Let us tell the United States that we are willing to pay our way in the world. Let us say we are willing to play ball with our great American neighbours. Let the United States know that we are willing to work; that we are willing to get in there and build the finest set of pipe lines they ever saw.

Let us get our young people involved in this venture. Let us get our people to save money to this end. Let the government of Canada become involved in this project. Let it give tax concessions in order to encourage people to save money, to get back to work and off the relief rolls. In this way the money needed to build adequate housing can be obtained.

Let us get our people to take advantage of the new frontier. I do not believe that only western Canadians feel this way. Many of our young people, particularly those in the maritimes, would like to work in the north and take advantage of this sort of bill. I am quite sure that hundreds of thousands of young people in Quebec would like to go up there for five months in the year and get in on this bonanza. They would like to see what the other part of Canada is like. In this way our young people would find there is a great deal more positive thinking in Canada than there is divisive thinking.

Any time I have been to Quebec I have had a fair deal. Any time people from Quebec come out west they will have a fair deal. If we all go north and develop this country we will make for ourselves and Canada a great deal of money. We do not have to buy Canada back. All we have to do is develop this new Canada. I refer to the area anywhere from 100 miles north of the boundary to the north pole. There are in the north enough resources to give us all the things we talk about. We have not done this. These are the things in which I believe. These are the things I challenge the government to do.

I believe that Bill S-29 is a step in this direction. I am not being negative about it at all. I believe we have to do a great deal more than pass legislation. Let us send the bill to committee and see how it fits in with some of the side issues. The side issues may well be the most important factors in this question.

This bill, in itself, will not be enough unless we provide the vehicle through which these things can be accomplished. It is no good developing resources in Canada if we have not an international market for them. We will not have an international market unless we make those types of spiritual decisions which are important. Unless we find the

spiritual strength, we will not be able to make the necessary decisions.

We must come to grips with the things that count. Do we believe in freedom? Do we believe in survival? I know no easy way to achieve these goals than by the same old attributes of thrift, hard work and character. Character does not mean letting Joe do it. Character means consultation. That takes a little humility. Character means hard work; it takes a little "stayability", courage, honesty and co-operation. We must see the other fellow's point of view. I am sure that when we do this we will re-establish amongst the people of Canada a great deal of respect. If we are to believe what some people are saying about us, we do not have this respect at the present time. People worry about us. They wonder whether we ever do anything at all except pull each other apart. Let us show them they are wrong.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I do not intend to take up too much of the time of the house. I have listened with interest to the various speakers and am rather surprised at some of the speeches I have heard. We have had a speech on defence policy. I have searched the bill in vain to find a clause dealing with defence policy. However, I presume that quite a bit of latitude is allowed in this type of debate and I accept the speeches in that spirit.

Bill S-29, an act respecting the production and conservation of oil and gas in the Yukon Territory and the Northwest Territories, is an important piece of legislation. Having checked through the bill, I find it is divided basically into four sections. I would like to very briefly deal with each section and then ask a few questions regarding the oil and gas policy of the Liberal government. I think I know what their gas policy is; we have had a great deal of that since September. But the Canadian people are entitled to a very clear blueprint of where we are going in the development of this extremely important resource.

The bill we are discussing this evening is an interesting piece of legislation which could have a very decided influence on the production and conservation of oil and gas, particularly in the Yukon and Northwest Territories. This is the main function of the bill, as I understand it. Gas and oil resources are primarily the responsibility of the provincial authorities. That is why this bill applies primarily to the Northwest Territories and the Yukon.

A close examination of the bill will disclose that most of the regulations for the production and conservation of our oil and gas resources have been left to the Governor in Council. This seems to be one of the long suits of this government, namely, orders in council and regulations which are left to the cabinet. I believe this is one of the major weaknesses in the proposed legislation. You can lay down good guide lines, but those good guide lines can be utterly destroyed by a legislative group which sets up regulations which are not in the interests of the industry or the people of Canada. I, for one, feel that provincially and federally we have had far too much government by order in council and not enough legislation is contained in the bills which we pass.

As I said before, the bill is divided into four main parts. One section sets up the oil and gas committee which will consist of five members, not more than three of whom will be from the public service. I think this is a good section of the bill. The committee will oversee the production and conservation of oil and gas in the Yukon and Northwest Territories. It is provided in the bill that to be a member of the committee one must have specialized or technical knowledge of the oil and gas industry. Again, I think this is an essential ingredient of such a member of the Committee.

• (9:20 p.m.)

Then, the bill defines the exemptions of those who are allowed to sit on the board. The clause reads:

> No member of the Committee shall have a pecuniary interest of any description, directly or indirectly, in any profit in oil or gas to which this Act applies or own shares in any company engaged in any phase of the oil or gas industry in Canada in an amount in excess of five per cent of the issued shares thereof.

Sometimes when I look at this last qualification I am not certain that it is a good one. Many of these companies are closely tied together, and some of them are subsidiaries. This is something about which we must be very careful.

On checking the legislation I find that the committee is all powerful. It can hold inquiries and hear appeals about various matters. It has the power, the rights and privileges of a superior court of record. Its findings on any

questions of fact are binding and conclusive. Clause 11 reads:

Any order made by the Committee may, for the purpose of enforcement thereof, be made an order of the Exchequer Court of Canada—

Of course, I must add that at the end of the bill there is a clause dealing with appeals, and this is essential in any legislation. There must be an appeal from bad decisions made by the government, and they make plenty of them. We find that part I of the bill deals with the production and conservation of our gas and oil resources. This is where the regulations come in, and this is where I believe Canadians should be more apprehensive than ever because all the regulating and defining is left in this particular part of the bill.

Members of this house do not know what is to be put in the regulations, and I for one would be very anxious to have the minister give us, if not on second reading at least in the committee stage, far more detail than he gave to the house this afternoon in moving the second reading of the bill. I think we, and the Canadian people, are entitled to this information.

I notice that part II of the bill defines "waste". It empowers the chief conservation officer to prevent it and also allows an appeal from the decision of the chief conservation officer to the committee if a decision is made by him which the company or the individuals concerned do not like.

We find that part II deals with production arrangements. This section of the bill regulates the economic and efficient production of oil and gas from the areas affected. I believe this is good legislation. It is too bad that such legislation containing proper controls was not introduced many years ago by all the provinces. In my opinion, the clauses dealing with pooling arrangements and unitization agreements seem to be in line with sound conservation policies. But again I say this ties in with the regulations which should be set by order in council and of which the house at this time has no knowledge.

Part III of the bill deals with appeals and administration. However, we find again that the Governor in Council may at any time vary or rescind any decision or order of the committee. In my opinion, this does not make for good legislation.

Many hon. members who have taken part in the debate have dealt with the export of Canadian oil and we have had a good discussion on the existing potential in Canada, so I will not go over these points again. There is just one aspect which a number of hon. members did not touch upon, that is the degree of ownership of the oil and gas resources of this country. Over the years I have been very apprehensive on seeing Canadian resources gradually pass from Canadian control into foreign hands. This is where I believe that we as Canadians must re-examine our position with regard to resource ownership.

Last December I asked some questions in the house regarding the percentage of ownership in this industry. I would like to put the figures on record. For petroleum and gas wells the assets held by foreign controlled companies at the end of 1965 amounted to 83.6 per cent of the total, and the assets held by Canadian controlled companies amounted to 16.4 per cent of the total. These figures show that Canadian control has been lost in this sector of the industry.

Then, we come to petroleum refineries. This is another very important sector of this great industry. Here, we find that the assets held by foreign controlled companies at the end of 1965 amounted to 99 per cent of the total in Canada, and 1 per cent was held by Canadian companies.

Next we come to pipe lines, and here the picture is a little brighter. We find that foreign control was 26.8 per cent while Canadian control was 73.2 per cent.

Then, we come to the marketing of petroleum and gas products, and I presume this refers to the little gas stations which we find on the corner of nearly every street. Here again we find that the Canadian control in this instance was 81.5 per cent, while foreign control was 18.5 per cent. However, it is to be noted that the petroleum resources and the refining of petroleum is mainly under the control of those who live outside the boundaries of our nation. I think that this is not good so far as Canadian control of this resource is concerned.

• (9:30 p.m.)

There are a few questions which I should like to put to the minister in connection with our oil policy. I think every speaker this afternoon and this evening stressed the problem of marketing. I think this problem is one of the major factors in the development of our oil and gas resources. This is why I should like to direct a question or two to the minister. We have heard a great deal about Panarctic Oil. Here, a corporation has been set up to go into the northern part of Canada, and the

government itself is participating in the venture. The government has put up money and its representatives sit on the board of directors of the corporation. This development is a very interesting aspect of Canadian life and it is time the minister gave us some clear information about it. He could tell us what we are doing and, in general, how many acres are under the control of Canadian companies; how much of this vast potential oil acreage in the north is under the control of companies outside this nation and just what the government intends to do about marketing the products in the north. I have read a great deal about this. In fact, I have volumes of information or speculation by various writers who stress the fantastic cost of oil production in the north and draw attention to the difficulty of getting the product to markets in the south, in the west or in Europe.

We must be given some answers to these questions. Does the government have a plan for the sensible marketing of this product once sufficient pools of oil have been found? Are pipe lines to be built? Is there a plan which hon. members can see? Can the Canadian people be taken into the confidence of the department? This type of information is required by members here and by the Canadian public at large. I do not think we are asking too much when we suggest that a policy of this type be laid down. It might have to be a broad, long term policy at this stage but there is certainly need for a program which we can see and understand.

There is one further aspect of oil development which I should like to see discussed in the house. I am thinking about Canada's continental shelf areas—there is one off the west coast of British Columbia, there is one off the east coast and another in the Arctic region which may prove to be one of the largest oil reserves in the entire world.

We have all heard of the major oil discoveries in Alaska and I believe there is no doubt that these resources extend into the Arctic waters which we in Canada have always claimed as our own. In this respect, I feel it is high time the government made a clear pronouncement as to the jurisdiction which we in Canada expect to exercise in this area, because these reserves could be a terrific asset to our nation in years to come. It is not many years ago that areas in the Arctic were looked upon as nothing more than vast frozen wastes to be ignored by people of all nations. Other countries have since found that there are vast stores of riches in these areas. We in Canada must be mindful of this situation and I am certain the government is aware of the necessity of staking out a real claim, one which cannot be disputed, as far as our Arctic regions are concerned.

To get back to the subject of the continental shelf, I should like to hear from the minister a clear indication of the government's intention with regard to these areas. According to reports I have read there is a great potential on the Atlantic side of Canada. If oil were to be discovered there in substantial amounts, there is no doubt it would go a long way to assisting an area which is greatly in need of assistance; the per capita income of the inhabitants could be greatly increased and a long step taken toward the reduction of regional disparity. Exploration programs could well be undertaken, perhaps with assistance from the federal government working very closely with the provinces concerned, in which case something might well come out of it.

I shall not spend more time on the subject now. I presume there are other hon. members who wish to speak on this bill. When it goes to the committee some amendments may be moved to the various clauses.

Before I sit down, I would again press the minister to give the house some clear cut information as to the government's oil and gas conservation program in much more detail than is outlined in the bill before us. He should give Canadians a much better indication of the course which the government proposes to take. I, personally, would welcome an assurance that all these potential oil resources in the north with which the bill is concerned are to be retained as far as possible by Canadians in the interests of Canada. I leave this thought with the minister, assuring him that this feeling is very widespread in this country. I trust the policies and programs evolved by his department will lead in this direction.

Mr. R. J. Orange (Parliamentary Secretary to the Minister of Energy, Mines and Resources): Mr. Speaker, I think this bill has been given to us at a most appropriate moment in our history of resource development in the north.

Like many other members in this chamber I returned to my constituency during the past ten days. One of the areas in which I spent a considerable time was the Mackenzie Delta which is under fairly extensive exploration by the oil companies. It is not difficult to sense the enthusiasm, the excitement which

exists in this far north western part of our country, an excitement generated by the activities of the companies involved in the search for oil. I hope the companies concerned meet with a great deal of success. At a place called Tatoonik and another called Tuktoyaktuk we happened to fly over oil drilling rigs drilling right on the Arctic coast. We listened to the rumours. We followed accounts from the oil companies which appeared in the newspapers. We see that what is happening at the moment is only, if I may use the term, a drop in the bucket in terms of the kind of activity that will take place in the search for oil in northern Canada during the next 3, 5, 10 or 20 years.

• (9:40 p.m.)

Both this afternoon and this evening we have listened to hon. members of this house talk of the implications, the complications and the ramifications of oil development in northern Canada. I think that all of us as Canadians are anxious to see a resource development in northern Canada that will benefit not only the north but improve the economic wellbeing of us all.

I do not want to repeat the arguments that have been made or the discussion that has taken place, but there are a couple of areas upon which I should like to touch. With regard to some things that may and hopefully will occur in the months and years to come, neither the companies involved in this exploration nor the governments who will be responsible for the production and conservation of oil and gas should forget those people who live in the particular areas concerned.

At the moment some of the major exploration companies across the country are doing a reasonable job in the encouragement of employment among people who were born, raised and educated in northern Canada. Unfortunately, other companies are not doing as well as they should in this regard. I should like to think that about half of the seismic crews, which I am told consist of approximately 28 people, should be recruited from people living in the north, provided there is some consultation with and engagement of the government, particularly the vocational training people in the Department of Indian Affairs and Northern Development and the Canada Manpower Service. If this were the case, then perhaps not this year but in one, two or three years many of our young people in the north—and the older people as well provided they are interested and are properly trained—can truly participate in this exciting venture.

[Mr. Orange.]

I also think that some of the companies involved in this exploration should examine their wage scales. In terms of gross wages the remuneration is not really that bad; in terms of hourly pay for working in the bush the wage amounts to about $1.50 per hour for perhaps 350 hours a month, not including overtime. To their credit the companies have made no attempt to circumvent the present wage legislation that has been passed by the territorial government.

The second point here at which I believe we, as Canadians and myself as a northerner, have to look is that we do not want to see the north exploited and become a gravel pit for the use of industries south of the 60th parallel. In other words, we in the north want our fair share of the activity. I recognize that it may be difficult to develop industries that require power derived from our oil and gas resources, but I also recognize there are ways and means of ensuring growth beyond the mere taking of products out of the ground, pumping them through a pipe line and shipping them to places in southern Canada and the United States.

I think this is one area that the minister and his department, having taken upon themselves the responsibility of conservation, and combined with their other responsibility for northern development, must look upon as a primary function. I should like to think that in the course of the discussions in the committee the suggestion will be made, preferably by the minister, that there are ways and means of ensuring that some of the potential benefits to be derived from this area will remain in northern Canada. I am not saying that selfishly; I am saying it because I believe that if we are to be a nation of three dimensions we must have economic development and growth not just along the narrow band north of the United States border.

If we are successful in this regard I think we can look to immediate benefits. The growth and construction of gas and oil lines will have an impact upon the community and will open up communications and transportation routes in areas in the north. However, I believe we must look far beyond this.

During the course of speeches made this afternoon and evening members have asked: Tell us now what is happening with Panarctic. Can we get some clear cut information? How many acres are under the control of this

company? I think that most of this information has been made public. I believe that the Panarctic venture on the part of government and industry is an exciting one and one in which the government has declared there are two alternatives, either to make an outright grant under present guidelines or to participate.

A great deal of activity is taking place in the Arctic islands in Panarctic's search. Even if this search is not successful, I think it will produce most important and valuable information regarding what does exist in this part of Canada. I think it has also informed Canadians that this is their land. There has been a lot of discussion regarding sovereignty and this area, and I think that once again governmental activity has established Canadian sovereignty over the Arctic islands as a result of the Panarctic oil program.

Again, I should like to impress upon the minister that in the process of developing a policy in regard to the use of oil and gas in northern Canada we should not forget for one moment the Indian, Eskimo, Metis and white people of the north. They, too, must participate, in some real and viable fashion, in what is potentially an opportunity for great economic growth.

I should also like to re-emphasize to the minister that the north must not become a gravel pit. If resources are there to be developed, then as a result of such development some benefit must accrue in terms of growth and economic development to northern Canada.

Motion agreed to, bill read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

• (9:50 p.m.)

CANADA SHIPPING ACT

AMENDMENTS DEFINING "AIR CUSHION VEHICLE" AND CLARIFYING OTHER PROVISIONS

Hon. James Richardson (for the Minister of Transport) moved that Bill S-23, to amend the Canada Shipping Act, be read the second time and referred to the Standing Committee on Transport and Communications.

He said: Mr. Speaker, Bill S-23 contains a variety of amendments to the Canada Shipping Act which is, as hon. members know, one of the lengthiest of our statutes. Hon. members will recall that only recently the Minister of Transport (Mr. Hellyer) announced plans for a complete revision of the Canada Shipping Act. The amendments now before us are ones that cannot wait for this major revision.

The bill contains our first legislative provisions concerning the new type of conveyance called an air cushion vehicle. This type of vehicle of course is also referred to as a hovercraft. Until now these vehicles have been subject to regulations under the Aeronautics Act; but, as air cushion vehicles are really surface vehicles the Aeronautics Act is not the appropriate act under which to regulate them. Hon. members will recall that an amendment to the Aeronautics Act received royal assent last month. This amendment, when it is proclaimed, will remove air cushion vehicles from the definition of aircraft and they will no longer be subject to the Aeronautics Act.

I should like to make it clear that we do not intend air cushion vehicles to be regarded as ships but only that they shall be subject to some of the provisions of the Canada Shipping Act in the same manner as ships are when they are being operated over the surface of the water. The provisions we are proposing in this regard must be considered as an interim measure only. There seems to be no doubt that ultimately we will need special legislation for air cushion vehicles, but I believe this would be premature at this time. It will be premature until we know much more about these new craft and how they are likely to develop.

There is also provision in Bill S-23 to allow landed immigrants to hold certificates as masters, mates and engineers on ships, a privilege now restricted to British subjects. Provision is also made in this bill to permit regulations to be passed requiring ships of 9 tons gross tonnage and over to be subject to inspection. The present lower limit is 15 tons, gross tonnage.

In order to complement the provisions of the Canada Labour (Safety) Code there is provision for making regulations on the subject of accident prevention aboard ship and a provision respecting the reporting of accidents that occur on ships. Another clause requires the reporting of other accidents, such as collisions or groundings of ships in our waters. Heretofore only accidents to British ships were required to be reported.

There is a provision for regulations to be made on the subject of pollution of our waters by garbage, sewage and other matters from ships and there is a provision that will allow any wrecked vessel to be removed if it

is causing pollution or likely to do so. Provision is also made for regulations to be made requiring all vessels in our waters to be fitted with radio installations. This has been found necessary for traffic control purposes.

In order to remove some doubts as to the validity of some of our by-laws and procedures in the administration of pilotage, there is a provision stating that all existing by-laws are valid.

In order that we may give effect to the provisions of the International Convention on Load Lines, 1966, there are amendments to bring the provisions of the act into line with that convention.

Finally, there are a number of miscellaneous items such as the repeal of certain archaic sections relating to seamen and provisions giving some uniformity to the sections relating to offences and penalties. Mr. Speaker, the amendments to the Canada Shipping Act contained in Bill S-23 are desirable and useful changes, and I recommend this bill to the house.

Mr. Nesbitt: Mr. Speaker, I wonder if there has been some private discussion as a result of which hon. members who may wish to speak on this matter may do so. I do not think there will be many speakers and I do not think their speeches will be long. This bill ought to go to committee; but I was wondering if some agreement had been reached for us to carry on for a little while. Perhaps we might carry on for 15 or 20 minutes, if there is unanimous consent to that.

Mr. Macdonald (Rosedale): Mr. Speaker, would it be possible for Your Honour not to see the clock for a few minutes so that hon. members may express their views on this matter. I do not think there is a great contention about it?

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, as some members of the Ralliement Créditiste want to speak on this bill, may I call it ten o'clock, which would enable my colleagues to go on with the debate tomorrow?

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

[*English*]

Mr. Nesbitt: Mr. Speaker, I was informed that there had been some behind the scenes discussion. Unfortunately, we cannot reach agreement about continuing. Since I had the floor originally, may I call it ten o'clock.

[Mr. Richardson.]

PROCEEDINGS ON ADJOURNMENT MOTION

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

POST OFFICE DEPARTMENT—VANCOUVER—PERMANENT EMPLOYEES TO REPLACE THOSE HAVING CASUAL STATUS

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I have been rather persistent in bringing up this matter of casual employees in the post office. I regret to keep a busy minister up late so many nights. I realize that the problem of casual employees in the post office is not new. The casuals were employed there long before the minister took over the portfolio. The minister himself has outlined a number of reasons for having casual employees, reasons which are also outlined in the post office personnel manual. There is mention of the Christmas rush, vacations, sick leave and end of month provisions, and I do not think anyone quarrels with those.

I realize also that in the change-over period brought on by implementing the five day week and by introducing other technological, changes about 2,000 people who have been permanently employed in the post office must be placed in new positions. This takes some time. What bothers me, that bothers many postal workers and many other people of this country, is the preponderance of casual employees in the post office at the present time. To me, this looks like a deliberate attempt to lower the total wage cost. The department is attempting to employ casuals on a more or less full time basis and save money. If that is not contrary to the letter of the act, it certainly is contrary to its spirit and contrary to what is contained in the postal service personnel manual.

I checked some figures and as of two weeks ago these are some of the figures relating to the major post offices across Canada. I will give total figures, Mr. Speaker. In Vancouver, British Columbia, there are 105 casual employees. In St. John's, Newfoundland, there are ten; in Saint John, New Brunswick, there are eight; in Montreal 245; in Moncton, 21; and Trois-Rivières, where some casual employees are working a 40 hour week now to fill vacancies, there is a total of nine.

The people at the Regina post office refused to divulge the number of casual employees there, but it is presumed that there are quite a number there. Winnipeg has 90; Hamilton

95; Quebec a total of 65 in various sections, not all on extended sick leave; Halifax 22; Sherbrooke, Quebec, none; North Bay, 14; Edmonton, 58; London, 60; Windsor, I was unable to get the figures except for the total number of hours and Scarborough, 48. The Postmaster in Saskatoon said he did not have authority to divulge such information. In New Westminster, the total is 22 and in Sudbury, 20.

• (10:00 p.m.)

This is quite a number. Many people, especially those employed or attempting to be employed by the Post Office, are extremely concerned about this. I obtained this information as a result of a telegram from the Vancouver postal workers which reads in part:

> There are over one hundred casuals employed and one hundred applicants have successfully qualified for positions.

I previously confirmed the number of casuals employed in Vancouver.

According to information which I have received, 26 full time positions have been promised in the Ottawa post office, but so far none have been confirmed. I believe I am correct in saying that the agreement reached on the five-day week in February contemplated a 60-day freeze on permanent positions so that present employees' jobs might be protected during the reorganization period. It is now three days from the expiry of the deadline and I hope the minister will tell the house what chance there is of relieving this rather discouraging casual picture across Canada which I have outlined before the expiry date.

Finally, Mr. Speaker, in answer to the hon. member for Timiskaming (Mr. Peters) on May 17, as recorded at page 6685 of *Hansard*, the minister said in part:

> This afternoon the officers of the department will be discussing the letter with me, and they will also be discussing with the officers of the Ottawa Post Office Unions the reasons which caused them to send such a letter and the problem concerning the use of casuals.

He later goes on to say:

> However, this is a problem that we are willing to discuss fully with them.

What I would like to learn is whether the minister or his officials have met and discussed this casual situation with the Ottawa Post Office unions. If not, when can we expect him to do so?

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, the hon. member has given all the reasons why there was an increase in the number of casuals during the last several months. Because of the changeover to a five day week and because of our assurance that no permanent employees would lose their jobs—they were guaranteed security—after the middle of October we did not engage any new personnel. Obviously, the work of the Post Office has to keep on going. We employed casuals or part-timers while we were keeping these jobs open.

I quarrel with a report in the *Globe and Mail* which said that the Post Office overtime has been on the rise. The report refers to our use of casuals. The fact is after the conversion to a five-day week overtime has decreased in the Post Office and the number of casuals is going down continuously. We are discussing this with the union. We are as concerned about the problem as they are.

I may say in respect of the Ottawa post office that the union spokesman who made the charge of nepotism against the post office was, let us say, embarrassed by a questioner on a television program who said it was his understanding that the charge of nepotism could be equally divided between those who were officers in the post office in Ottawa and those who were union members. This turned out to be true. Of something like a little over 100 casuals, 35 could be said to have obtained their jobs because of knowing people inside the post office. On the other hand, about half of them attained their positions because they knew a member of the union. We are plagued with this problem in the post office. We are attempting to work it out with the union. We have an abnormally high sick leave which averages three per cent to four per cent above that in the Civil Service as a whole. There really is no reason for it. We are investigating this and I feel we will work out a solution with the unions. It really is a question of morale.

I want to deny emphatically the implied charge that we are using casuals in an attempt to reduce our costs or the average wage paid in the post office. This is completely untrue. We use casuals because of the nature of the work in the post office. The loads occur at different times. We do not use them for any other reason.

Mr. Deputy Speaker: A motion to adjourn the house is now deemed to have been adopted. Accordingly, this house stands adjourned until tomorrow at 2 p.m.

Motion agreed to and the house adjourned at 10.10 p.m.

HOUSE OF COMMONS

Wednesday, April 16, 1969

The house met at 2 p.m.

BUSINESS OF THE HOUSE

DISPOSITION OF BILL C-150—AGREEMENT RESPECTING DEBATE ON CANADA'S PARTICIPATION IN NATO

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I would like to make a statement about the business of the house for the next several days. As hon. members know, conversations have been taking place about the orderly disposition of the remaining stages of the passage of Bill C-150, that is to say, the omnibus Criminal Code bill, and also the proposed motion relating to Canada's participation in NATO. As a result of this, I have had two special orders prepared which I would like to suggest to the house with a view to their being adopted.

The first would relate to the debate on Canada's participation in NATO, which has been proposed for Wednesday and Thursday of next week. That order would provide for a motion to be moved by a minister. This could be amended in the usual way as provided by the Standing Orders. The vote would take place at 9.45 p.m. on Thursday. The Wednesday would be a government day, that is to say, from government time, and Thursday would be one of the days allotted to the opposition under the supply provisions of the rules. It would be specifically understood that the debate would not reduce the number of no-confidence debates that can be brought under Standing Order 58 of the house in this part of the session. It would also be stipulated in the order that those participating in the debate, other than the first spokesman of each party, would be limited to 15 minutes. This is of course so that the maximum number of hon. members may participate in the debate.

Under the terms of the second of the orders that I am proposing, the house would allot five days for the remaining stages of Bill C-150, four of these to be given to the consideration of the proposed amendments and the fifth day to be for the debate on the third reading stage. Since most of the notices of amendments relate to clauses 14, 15 and 18 of the bill, that is, the clauses dealing with the abortion question, it is proposed that two days be allotted for dealing with those amendments, that is, this sitting day and tomorrow.

There are several notices of amendments to clause 7, that is, the clause concerning the gross indecency provisions of the Criminal Code. The proposal is that a day be allotted for those amendments, that is to say, Friday of this week. The fourth day, that is to say, Monday of next week, would be available for the other amendments, and it would be understood that both private members business and the adjournment proceedings would be suspended during the days this debate would be in progress. The final day, that is to say, next Tuesday, would be for the third reading debate.

• (2:10 p.m.)

My suggestion is that the debate on the amendment will begin today, that all questions relating to clauses 14, 15 and 18 be decided tomorrow evening, and that all other votes at the report stage be deferred until Tuesday afternoon, that is to say the first thing after orders of the day are called. The questions concerning third reading would be put to the house on Tuesday evening.

There is general agreement, I believe, that the house must rely on you, Mr. Speaker, to guide our proceedings so that, within the limits provided by any special order, time is available to the house for the consideration of all the major possibilities suggested by the amendments.

The proposed orders are rather long, but copies have already been circulated to the representatives of each of the parties. If there is agreement in relation to the proposed order on the NATO debate, I would like now to move that particular motion.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Macdonald (Rosedale): I take it, Mr. Speaker, that the order on the NATO debate has been adopted. On that basis I wish to move the motion with respect to the allocation of time to Bill C-150.

Business of the House

Mr. Speaker: Order, please. I want to make sure that there is understanding of the situation. Is the procedure suggested by the President of the Privy Council relating to the NATO debate agreed to?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

Mr. Macdonald (Rosedale): I would therefore like to move the motion with regard to the second of the matters, that regarding the allocation of time to bill C-150.

Mr. G. W. Baldwin (Peace River): These discussions have in fact been taking place and the house leaders and the members of the house are faced with the necessity of trying to accommodate a very difficult and complex debate within our existing rules. The suggestion advanced by the government house leader—with certain changes which we think can be made within the framework of the order as it would be made—are acceptable to us. Often we do foolish things in this house—and in this connection I look particularly at the government, although on occasion the epidemic does spread to this side. But I think that if we were to take the number of amendments which have been introduced and which now appear on Routine Proceedings and Orders of the Day and tried to arrange a debate, it would be impossible to do so in an orderly way unless the house showed the common sense, which I am sure it possesses from time to time, and worked out an order of this kind. So, as I say, with the exception I have noted, we would be agreeable to this suggestion.

However if it should happen that the house as a whole were not prepared to accept the order, I hope sincerely that at least we can arrange for an orderly division of the subject matter so that it will be possible for the members of the house who feel they have a contribution to make to direct their attention to a specific subject matter. We hope that under the direction of Your Honour all aspects of the problem can be debated and all the questions on each aspect put at one time.

An examination of the amendments indicates that there is a natural division of the subject matter, so I sincerely hope the house will accept the motion. If it does not, then I hope that under the direction of Your Honour, exercised when necessary, and with the exercise of common sense our debates will proceed in an orderly way directed to one matter at a time.

[Mr. Macdonald (Rosedale).]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I, too, should like to confirm that there have been discussions among the house leaders and that we have worked out proposals which members of my party are prepared to accept.

If I may recapitulate briefly, we think it would be a good idea to limit ourselves to four days debate at the report stage of Bill C-150, and in view of the way in which the amendments presented happen to fall, that two days on abortion, one day on gross indecency and one day on all the other aspects would be a fair apportionment of our time.

Some hon. Members: Oh, oh.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I do not know what I said that I should not have said, but at any rate I am sure the house understands.

Some hon. Members: Oh, oh.

An hon. Member: Only too well.

Mr. Knowles (Winnipeg North Centre): We also feel that if there are to be a number of recorded votes on the various amendments it would be terribly time consuming to take them one by one as they come along, bearing in mind the amount of time it takes to get members together. We think it would be a good idea to have the votes grouped. Therefore we go along with the proposition that all the votes on abortion be taken tomorrow night, and that all those having to do with the other subjects be taken at the beginning of Tuesday's business. We think this is a good idea, and that it would facilitate dealing with this complex measure, giving an opportunity for full discussion at the report stage of the subjects in which by their amendments hon. members have shown that they are interested.

Like the hon. member for Peace River I should like to go one step further and say that if this proposition is not generally agreed to by the house there is a second line of defence we could adopt. I think there might be some kind of agreement that even if it is desired to carry on the debate on abortion for more than two days we could take two days now and then interrupt the discussion, picking up the abortion clauses for additional debate later on. If this could be agreed on it would be a convenient way of dealing with the question.

Otherwise I should like to draw Your Honour's attention to your authority under standing order 75(10) under which you have

power to select or combine amendments or clauses to be proposed at the report stage. If it is your sense of the wish of the house that we should spend a certain amount of time on one subject and then move to another, I hope Your Honour will be governed accordingly. However I hope the proposals we worked out as house leaders will be acceptable to the house as a whole.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, there have been meetings recently at the level of party leaders, or representatives of every party, and as far as we are concerned, we, of the Ralliement Créditiste, cannot accept the government's offer because it is equivalent to closure, which is unacceptable for members who have been freely elected by their constituents.

On December 20, 1968, if I am not mistaken, the house refused to agree to standing order 16A which was equivalent to a muzzle accepted in advance. Therefore, if we refused this permanent muzzle, so to speak, we will refuse it every time the government will try to force it on us. I want to let the government know that some of my colleagues are wide awake and are determined to resist closure whenever the government will try to impose it.

Mr. Speaker, the government has suggested a limitation of the debate; however, as some amendments may be debated at great length, there may be very little time to consider the other amendments on today's order paper.

For those reasons, Mr. Speaker, I feel that every amendment, whatever the hon. member or the party that moved it, should be considered thoroughly. In fact, certain clauses of Bill C-150 are too important to be passed speedily.

Moreover, as excessive speed is reproved everywhere, and as it is generally admitted that one cannot do things fast and well at the same time, we must reject the government's order for closure.

• (2:20 p.m.)

[*English*]

Mr. Macdonald (Rosedale): Mr. Speaker, in light of that I wonder whether the house would entertain the suggestion that was made by the hon. member for Winnipeg North Centre. That is to say, without agreeing to any limitation of time for debate of any of the items we might plan the subject matter of the debate for the next five days; deal with the proposed amendments with relation to abortion this afternoon and tomorrow, and on Friday devote ourselves to the second of the subject matters that were mentioned. Then on Monday next we might devote ourselves to the amendments dealing with the other aspects of the Criminal Code, and on Monday afternoon or evening review whether it is necessary to return to the subject matter of abortion or any other questions—or possibly arrive at an agreement. I wonder whether there is any disposition to handle the amendments in this fashion.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, we do not necessarily accept this motion of the government house leader because it is illogical.

[*English*]

Mr. Baldwin: Mr. Speaker, might I suggest that we review this matter tomorrow. By tomorrow the party to my far left may have been exhausted by abortion and ready to discuss other matters.

[*Translation*]

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

Mr. Speaker: Order. The hon. member for Lotbinière on a question of privilege.

Mr. Fortin: I would like to inform the hon. member who has just spoken, Mr. Speaker, that it will take more than a Liberal or a Conservative party to exhaust the Social Credit Rally.

An hon. Member: Ha! Ha! So go and see Mr. René Lévesque.

[*English*]

Mr. Speaker: Order, please.

ROUTINE PROCEEDINGS

[*Translation*]

FINANCE, TRADE AND ECONOMIC AFFAIRS

SIXTEENTH REPORT OF STANDING COMMITTEE

Sixteenth report of Standing Committee on Finance, Trade and Economic Affairs, in French and in English—Mr. Gaston Clermont (Gatineau).

[*Editor's Note: The text of the foregoing report appears in today's Votes and Proceedings.*]

[*English*]

PUBLIC ACCOUNTS

REFERENCE TO COMMITTEE OF VOLUMES I, II AND III, AND AUDITOR GENERAL'S REPORT

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, there have been some discussions about the reference of the Public Accounts, volumes I, II and III for the fiscal year ended March 31, 1968, and also the report of the Auditor General thereon, to the Standing Committee on Public Accounts. If the house would be agreeable, perhaps the house would make an order to that effect so that the committee may continue with its study of these questions.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

HOUSING

OTTAWA—CONSTRUCTION OF ROW-HOUSING UNITS FOR LOW INCOME FAMILIES

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, with your permission I should like to make a brief statement regarding a very special measure by the government that should bear a most significant and far-reaching impact on housing for low income families.

I wish to announce that a new approach to providing housing for low income families will be undertaken in the city of Ottawa under a special arrangement. The experiment involves the construction in a single neighbourhood of row housing units; one half of the units will be sold under the condominium concept and the other half will be rented, in both cases to families with low incomes.

Two such projects will be built—one on the Walkley Road and the other on Morrison Drive—on land owned by Assaly Construction Limited. The sites had originally been set aside for large public housing developments but these were judged unacceptable because of the human disadvantages of their size.

When completed, both areas will provide a well integrated mix of home ownership and rental accommodation in a single community occupied exclusively by low income families.

The housing built for rental purposes will be financed under the public housing provisions of the National Housing Act. The units built for home ownership will be financed directly by Central Mortgage and Housing Corporation with interest on the loans equal to that presently charged for public housing projects.

The Walkley Road project will contain some 125 units of condominium housing and an equal amount of public housing units. The west end project on Morrison Drive will contain some 134 units of condominium housing and an equal number of public housing dwellings.

In the form of row housing, both projects will provide a preponderance of three-bedroom dwellings although two, four and five-bedroom units will also be available. The rents for the public housing units will be based on family income. The units for ownership will be sold at prices that will enable families to move into two-bedroom accommodation with incomes of $4,900 and into three-bedroom accommodation with incomes of $5,600. Down payments will be as low as $750. In either case—whether for rental purposes of purchase—all of the units will be reserved for families whose incomes do not exceed $7,500.

With this new approach we are attempting to restore and to strengthen the dignity of lower income families. We know from the work of the task force on housing and urban development that very definite sociological and psychological disadvantages result from stacking people in massive public housing projects. While we must continue to concern ourselves with the number of housing units we build each year, we must also ensure that the production of such housing is not just in vertical rows. We must provide people with more choice, with projects of acceptable size, location, design and layout, with an address for each tenant, playground space for children and greater privacy for each member of the family.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, although we in this party welcome the announcement the minister has just made may I renew a plea that I, the hon. member for Hamilton West (Mr. Alexander) and others have made in the past for the minister to give us a statement embracing the over-all housing picture in which he will say what he intends to do about the question of public housing and about overcoming what he called sociological and other factors, which have made much of our public housing unacceptable to him in the past. Although we have asked for such a statement the minister has

made a specific statement relating to a specific area, and he is moving ahead in a particular field.

While we welcome the help that will be given to low income groups of Ottawa I submit that the minister ought to make the over-all statement I have spoken of in order that other municipalities which may want to move rapidly into the field of public housing may have the benefit of his definitive statement. If he does not make that statement as quickly as possible I suspect those municipalities will be left in the position, as the city of Ottawa was, of having to negotiate each individual project. I do not think that is good planning and it will not help the minister to maintain good relations with municipalities in other parts of Canada.

Someone was kind enough to send me a copy of the statement the minister has just read to the house. In it there is no indication of what faults were found with the city of Ottawa's original submission with regard to his project. We do not know what sociological factors dismayed the minister. In fact we do not know what bothered him. Again I urge the minister to make an over-all statement as quickly as possible so that municipalities of other parts of Canada may move ahead quickly with the filling of an urgent need, and make housing available to low income families of Canada.

Mr. John Gilbert (Broadview): Mr. Speaker, we in the N.D.P. welcome the first step which the minister has taken in this project, but we deplore his piecemeal approach in solving our housing problems. This is only a token performance in solving critical housing shortages in the city of Ottawa. I note that 500 units only are to be built in Ottawa under this program, and that the city has asked for 1,600 units to be built. In Toronto alone about 16,000 people are on the waiting list for low rental housing, and many times that number are awaiting for public housing across the country.

One of the most critical areas in our housing crisis is the shortage of public housing units. When we consider the government's record in building fewer than 40,000 units of public housing across the country, which is less than one per cent of Canada's total housing stock, we can see the extent to which this and former governments have fallen short in their performance.

• (2:30 p.m.)

We are not the least bit happy with this piecemeal approach. The proper approach, Mr. Speaker, is to have a greater mix of public housing, together with the private housing sector. The more important group is the one between $4,000 and $7,500. Again, this is only a token approach to this group. The people of Canada cannot wait for any psychological or sociological studies with regard to this problem. What we need in Canada are houses.

I was rather disappointed yesterday when the Prime Minister said there was no intention on the part of the government to set up a separate ministry of housing and urban development, when this was one of the major recommendations of the task force on housing. If we are to solve this housing problem, we must have leadership by the federal government to co-ordinate the housing plans. I ask the government to take the initiative in setting up this type of ministry and have the minister set forth the proper type of plans to meet the most critical problem in Canada today, the housing shortage.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, the opening of the market that has taken place in the field of housing seems at first sight to be an advisable thing. But if we do not give people a purchasing power which could provide them with more independence, we will have to approve those different projects. However, let me quote an excerpt from page 2 of the announcement, which reads as follows:

> The rents for the public housing units will be based on family income. The units for ownership will be sold at prices that will enable families to move into two-bedroom accommodation with incomes of $4,900 and into three-bedroom accommodation with incomes of $5,600.

I think that one most important factor has been overlooked. What is going to be done for a family of 6, 7 or 8 children with a $4,900 income? The size of the family should be taken into account. You cannot put a family of ten in a two bedroom house, and this is very important because very often, the largest families have the lowest incomes. I feel therefore that large families have not been duly considered.

On the other hand, it seems that in introducing this legislation some concern has been given to the social aspect and to the dignity

of the family, because it is stated, and I quote:

We know from the work of the task force on housing and urban development that very definite sociological and psychological disadvantages result from stacking people in massive public housing projects.

If, in drawing up this legislation, care has been taken to avoid certain inconveniences likely to affect the dignity of the family, we are only too glad about it.

Mr. Speaker, there is one thing which has not been duly considered, and that is to look more after large families, even though their income is too low to entitle them to a two or three bedroom house.

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

HOUSING TASK FORCE COST

Question No. 1,293—**Mr. McKinley:**

What were the total direct and related costs of the Task Force on Housing and Urban Development from its inception up to and including the report?

Hon. Paul Hellyer (Minister of Transport): As of March 31, 1969, expense payments relating to the Task Force on Housing and Urban Development have totalled $158,217.70. Final cost figures are not yet known.

PORT-AUX-BASQUES, NFLD., TRANSFER SHED

Question No. 1,341—**Mr. Knowles (Winnipeg North Centre):**

1. Was the transfer shed at Port-aux-Basques, Newfoundland, built in 1967, designed for car-body transfer (i.e., lifting a mainland box-car, from standard gauge tracks to Newfoundland narrow-gauge tracks)?

2. Was the car-body transfer at the transfer shed at Port-aux-Basques approved by any department of the federal government?

3. What is the number of car bodies transferred at the transfer shed at Port-aux-Basques in each month since January, 1968?

4. How much of this car-body transfer has been "new" traffic?

5. What are the names of the shippers or consignees who have requested that their traffic be moved by car-body traffic at Port-aux-Basques?

6. For 1968, how much traffic from the mainland for Newfoundland, handled by the Canadian National Railways, was routed to St. John's?

7. For 1968, how much traffic from the mainland for Newfoundland, handled by the Canadian National Railways, was routed direct from a mainland port to a port on the South-West coast of Newfoundland?

8. When will the new car-body transfer in the old terminal at Port-aux-Basques be ready?

9. What is the cost per ton for freight from the mainland handled at Port-aux-Basques by conventional methods?

10. What is the cost per ton for freight from the mainland at Port-aux-Basques handled by car-body transfer?

Hon. Paul Hellyer (Minister of Transport): The management of Canadian National Railways advises as follows: 1. Yes. To enable the carrying out of limited car-body transfers.

2. Although specific approval to implement an operating procedure is not required, construction of the transfer shed which contemplated such an operation was approved by the Department of Transport. In addition, discussions were had with the Department of Labour.

3.

	Month	Total Eastbound and Westbound Cars
1968	January-March	Nil
	April-May	A few (no record kept)
	June	46
	July-August	A few (no record kept)
	September	98
	October	78
	November	150
	December	224
1969	January	225

4. Records are not maintained that would enable the Company to answer the question in the form asked.

5. It has not been the practice nor is it considered in the best interests of the Company to disclose information of a nature which would be of value to its competitors.

6. As a result of congestion caused by the reconstruction of facilities at Port-aux-Basques, ice and adverse weather conditions, a temporary surge in special traffic and also fill-out traffic for conventional vessels diverted to comply with certain safety precautions in the handling of explosives and for vessels en route to St. John's for annual refit or inspection, about 41,000 tons of traffic was routed to St. John's.

7. About 19,200 tons.

8. Completion of the work is presently scheduled for the fall of 1969.

9. and 10. The rate or cost to the shipper for handling traffic by car-body transfer is

the same as that for the handling by conventional methods.

OTTAWA—LODGING PROVIDED BY GOVERNMENT

Question No. 1,396—**Mr. Schreyer:**

1. Does any department of the federal government rent apartment suites or single dwellings in the City of Ottawa for purposes of providing lodging to its own personnel or foreign visitors?

2. Does any department of the federal government rent such accommodation in the Juliana Apartments, 100 Bronson Avenue, Ottawa?

3. If so, what is the per unit rental in each of the above cases?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. Yes, the Department of the Solicitor General.

2. No.

3. The leases listed hereunder are maintained only to ensure that quarters are readily available for officers arriving in Ottawa on transfer, and the rental is recovered monthly by pay deduction from the officer occupying the leased accommodation. There is, therefore, no revenue loss to the R.C.M. Police. This service has been authorized by Order in Council P.C. 1954/1971 dated December 16, 1954 and T.B. Minute T.B. 630, 444 dated September 3, 1964.

Address	Type of Accommodation	Monthly Rent
2060 St. Laurent Blvd.	½ double	$115.00
171 Rodney Crescent	Single dwelling	125.00
681 Weston Drive	Single dwelling	115.00
2826 Sandalwood Drive	Townhouse	135.00
2207 Plesser Street	½ double	115.00
167 Mafeking Avenue	Single dwelling	135.00
1841 Hutton Avenue	½ double	115.00
1618 Pullen Avenue	Single dwelling	145.00
647 Browning Avenue	Single dwelling	135.00
656 Portage Avenue	Single dwelling	115.00
753 Thirsk Street	½ double	135.00
1821 Cloverlawn Crescent	½ double	115.00
819 Wingate Drive	Single dwelling	145.00
2299 Urbandale Drive	Single dwelling	115.00
1603 Pullen Avenue	Single dwelling	135.00
2381 Howland Avenue	Single dwelling	115.00
89 Meadowlands Drive	Single dwelling	115.00
2178 Westbourne Avenue	Single dwelling	135.00
30 Rebecca Avenue	Single dwelling	135.00
2838 Sandalwood Drive	Townhouse	135.00
2066 St. Laurent Blvd.	½ double	145.00
527 Shelly Drive	½ double	135.00
557 Blair Street	Single dwelling	145.00
997 Harkness Avenue	Single dwelling	115.00
766 Fairdale Avenue	Single dwelling	145.00
25 Rebecca Crescent	Single dwelling	115.00
24 Arundel Avenue	Single dwelling	125.00
124 Springfield Rd. Ste. 4	Apartment	145.00
2159 Bingham Street	Single dwelling	115.00

BOROUGH OF YORK CITIZENSHIP OFFICE

Question No. 1,415—**Mr. Aiken:**

1. Has the Department of the Secretary of State received from the Corporation of the Borough of York a request that a Citizenship Office be established in the Borough of York, to be staffed on either a full-time or part-time basis?

2. If so, when will the office be opened, and will it operate on a full-time or a part-time basis?

3. If the request has been refused, what are the reasons for refusal?

Hon. Gérard Pelletier (Secretary of State): 1. Yes.

2. New accommodation is being sought for the Court of Canadian Citizenship in Toronto and its location will be decided in consultation with the Department of Public Works

after consideration of such factors as cost, availability, suitability, accessibility, proximity to transportation facilities and location of immigrant population. It is not yet possible to say whether it will be located in the Borough of York. It is the intention to open additional citizenship offices in Toronto as soon as budgetary restrictions permit but this will not take place during the current fiscal year.

3. Not applicable.

COST OF MINISTERIAL PORTRAITS

Question No. 1,417—**Mr. Downey:**

What is the total amount of money which has been spent in each case for the production of ministerial portraits for each of the following (a) the Prime Minister (b) the Leader of the Government in the Senate (c) the Minister of Transport (d) the Secretary of State for External Affairs (e) the Solicitor General of Canada (f) the Minister of Public Works (g) the Minister of Manpower and Immigration (h) the President of the Treasury Board (i) the Minister of Finance and Receiver General (j) the Minister of National Defence (k) the Minister of Industry and the Minister of Trade and Commerce (l) the Minister of Forestry and Rural Development (m) the Minister of Energy, Mines and Resources (n) the Minister of National Revenue (o) the Minister of Justice and Attorney General of Canada (p) the Minister of Indian Affairs and Northern Development (q) the Minister of Labour (r) the President of the Queen's Privy Council for Canada (s) the Minister of National Health and Welfare (t) the Secretary of State of Canada (u) the Minister of Fisheries (v) the Minister of Agriculture (w) the Minister of Veterans Affairs (x) the Minister of Consumer and Corporate Affairs (y) the Minister of Defence Production (z) the Postmaster General (aa) the Minister without Portfolio (Port Arthur) (bb) the Minister without Portfolio (Winnipeg South) (cc) the Minister without Portfolio (Saskatoon-Humboldt)?

Mr. Yves Forest (Parliamentary Secretary to the President of the Privy Council): (a) $2,023.13; (b) Nil; (c) $150; (d) Ministerial portraits for use at Canadian Missions abroad on behalf of the Prime Minister, $560; on behalf of the Secretary of State for External Affairs, $1,557.50; (e) Nil; (f) $76; (g) $640; (h) Nil; (i) $767.50; (j) Nil; (k) $67.50; (l) Nil; (m) Nil; (n) Nil; (o) $50; (p) $109.98; (q) $228.12; (r) $81.17; (s) $241.90; (t) $29.60; (u) Nil; (v) $513.50; (w) $465.35; (x) $75.75; (y) $436.75; (z) $91.50; (aa) $205.85; (bb) $82.98; (cc) $374.25.

ATTENDANCE AT FORT SMITH SCHOOL

Question No. 1,420—**Mr. Orlikow:**

1. How many children of school age from the Indian Village at Yellowknife, N.W.T. are attending school at Fort Smith?

[Mr. Pelletier.]

2. What is the cost per year of providing board and room at Fort Smith for these children from the Indian Village at Yellowknife?

3. How many children of school age at the Indian Village at Yellowknife, N.W.T. are attending the volunteer school being conducted at the home of the Chief of the Village?

4. Are arrangements being completed for all the children of school age from the Indian Village at Yellowknife to attend school either at a school at the village or in integrated classes in the Yellowknife School and, if not, for what reason?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Forty two.

2. The approximate cost is $925 per pupil per annum.

3. Six or seven children attended the volunteer class conducted by a Company of Young Canadians' worker at the Indian Village, Yellowknife. This class was not conducted on a regular basis and it has apparently been suspended.

4. This matter is being discussed by local federal and territorial authorities at Yellowknife.

SCHOOL GRADES OF ESKIMO CHILDREN

Question No. 1,444—**Mr. Orlikow:**

1. In each year since 1958, how many Eskimo children began school in Grade One?

2. How many of the Eskimo children in each school since 1958 finished Grades 5, 6, 7, 8, 9, 10 and 11?

3. If the percentage of Eskimo school children reaching high school is substantially lower than the percentage of other Canadian school children as a whole reaching high school, has the government conducted any studies to ascertain the basic reasons for this great difference?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The following is the total number of Eskimo pupils entering school at the Grade I or beginners level in the N.W.T. and Arctic Quebec.

Year	Pupils
1958-59	Not available
1959-60	393
1960-61	385
1961-62	386
1962-63	450
1963-64	314
1964-65	662
1965-66	954
1966-67	837
1967-68	911

2. Statistical data is not available showing the number of Eskimo pupils completing Grades V to XI during the period 1958-63. The following is a summary of the numbers of Eskimo pupils successfully completing the grades in question during the period 1964-68 in N.W.T. and Arctic Quebec.

	Grade Successfully Completed						
Year	V	VI	VII	VIII	IX	X	XI
1964-65	118	121	37	29	13	4	3
1965-66	134	73	31	27	19	13	7
1966-67	194	117	45	22	22	17	8
1967-68	250	139	59	22	12	15	12

3. The percentage of Eskimo children reaching the secondary grades has been lower than the percentage of other Canadian school children reaching a similar level. In addition to studies conducted by departmental staff, studies by outside consultants have been made to help determine causes and suggest remedies.

MATHEMATICS TAUGHT IN YUKON AND N.W.T. SCHOOLS

Question No. 1,450—**Mr. Orlikow:**

1. What type of mathematics is taught in the schools in the Yukon and the Northwest Territories?

2. If "new mathematics" is being used, what steps are taken to ensure that those teaching mathematics have been trained to teach the new mathematics?

3. Are students switched from being taught new mathematics to old mathematics from grade to grade depending on the training of teachers and, if so, has any assessment been made of the effect of such changes on the learning ability of the students and by whom has this assessment been made?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The Yukon Territorial Government uses the British Columbia School curriculum which includes teaching the "new mathematics". Mathematics courses in Northwest Territories schools are the same as those used in certain provinces, namely: Mackenzie District: (Alberta); Arctic District: Keewatin Region, (Manitoba); Frobisher Region, (Ontario); Arctic Quebec, (Quebec Protestant). In all cases provisions are made for some work in "new mathematics".

2. Accompanying the introduction of "new mathematics" in the Yukon were special training and in-service workshops for all teachers. These workshops were maintained from four to five years, depending upon their need. As summer school and university training programs reduced the need for in-service training, the program was phased out.

Between 1963 and 1966, a Mathematics specialist on the curriculum staff of the Education Division did extensive work to help Northwest Territories teachers, school administrators, and parents prepare for changes in mathematics curriculum. This took the form of teacher workshops, meetings and class visits; parent meetings; preparation of in-service bulletins and the development of special northern-oriented mathematics readiness materials for beginners.

Since that time, regional superintendents and their teacher consultants together with school principals have been expected to provide necessary on the job supervision. Occasionally resource experts are employed for conferences. At all times professional books and films are available on loan.

INTEGRATION IN YUKON AND N.W.T. SCHOOLS

Question No. 1,451—**Mr. Orlikow:**

1. Are classrooms in schools in the Northwest Territories and the Yukon integrated for Indian, Eskimo and white children?

2. If so, when was the policy of integration adopted?

3. Has the policy of integration been suspended since its inception and, if so, when, for how long and for what reasons?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Yes.

2. School classrooms in the Northwest Territories have been operated on an integrated basis since 1955.

In June 1969, the Choutla Indian School in the Yukon will close, and at that time all Yukon schools will be operated by the Yukon Territorial Government on an integrated basis.

3. No.

INSPECTION OF YUKON AND N.W.T. SCHOOLS

Question No. 1,452—**Mr. Orlikow:**

1. In each school year since 1963, how many inspection trips has the District Superintendent of Schools in the Department of Indian Affairs and Northern Development made of schools in the Yukon and Northwest Territories?

2. What schools did he inspect?

3. How long did the inspection of each school take?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Supervision of the only Indian school in the Yukon

Territory, the Carcross Indian School, is performed by officials of the Territorial Government.

The District Superintendents of Schools for the Northwest Territories do not inspect schools, as this function is the responsibility of the Regional Superintendents of Schools.

2. The District Superintendents of Schools do, however, visit schools for the purpose of staff consultations and have visited all schools in their Districts for this purpose.

3. Schools were visited for periods of from one to three days each, depending upon the size of the school and availability of transportation.

EDUCATIONAL SERVICES IN N.W.T. AND ARCTIC QUEBEC

Question No. 1,483—**Mr. Lewis:**

1. What is the present establishment of the education branch of the federal and/or territorial governments for educational services offered in the Northwest Territories and Arctic Quebec?

2. How many full-time accredited teachers on permanent establishment are fluent in the natal tongue of their pupils indigenous to the area in which they are teaching?

3. What are the names and addresses of the teachers referred to in Part (2) above?

4. Has the Government of Canada ever offered any financial incentives or other rewards to encourage teachers working in the North to acquire a fluency in the natal language of the pupils indigenous to the area in which they are teaching and, if so, describe (a) the nature of the incentives (b) the year each incentive program was introduced, and (c) the number of teachers who benefited?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The present establishment of the Education Branch of the government for educational services in the Northwest Territories and Arctic Quebec consists of 687 positions.

2. Six full-time accredited teachers on the permanent establishment are fluent in the natal tongue of the pupils indigenous to the area in which they are teaching, if only Indian or Eskimo children are considered indigenous pupils.

3. The names and addresses of the teachers referred to in (2) above are: J. A. MacDiarmid, Esq., Frobisher Bay, N.W.T.; R. W. Cousins, Esq., Frobisher Bay, N.W.T.; L. A. Smith, Esq., Pond Inlet, N.W.T.; H. L. Brintnell, Esq., Pond Inlet, N.W.T.; G. Z. Diveky, Esq., Port Harrison, Quebec; W. L. Born, Esq., Holman Island, N.W.T.

[Mr. Chrétien.]

4. No. The Department of Indian Affairs and Northern Development has developed an Eskimo Language Course, consisting of 150 lessons which have been taped and are available free of charge to any departmental employee requesting them. Since 1968, approximately 50 departmental employees, including 32 teachers have been provided with these tapes. The department also plans to establish an Eskimo Language Training School at Rankin Inlet for Departmental employees including teachers, and it is expected that classes will commence in October, 1969.

CURRICULUM SECTION OF NORTHERN EDUCATION BRANCH

Question No. 1,484—**Mr. Lewis:**

1. In what year was the Curriculum Section of the Northern Education Branch of the Department of Indian Affairs and Northern Development founded?

2. What has been the cost of the operation since that date?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The curriculum section of the Northern Administration Branch was organized in 1956.

2. Until 1966-67, total operating costs of the curriculum section were not maintained separately from the costs of operating other sections of the Education Division. Operating costs of the curriculum section, including salaries, are available for the following fiscal years: 1966-67, $127,035.71; 1967-68, $126,478.14.

FORT CHIPEWYAN, ALTA., HIGH SCHOOL

Question No. 1,517—**Mr. Yewchuk:**

Would the Indian Affairs and Northern Development Department give consideration to construction of a high school at Fort Chipewyan, Alberta, within the next 1 or 2 years?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): The Department no longer operates schools at Fort Chipewyan, Alberta.

The provision of educational services for all school children at Fort Chipewyan has been assumed by the Northland School Division which is the provincial administrative unit responsible for the administration and supervision of schools in northern Alberta.

The Divisional Board determines school accommodation requirements in this area.

When Indian children are involved, capital contributions to new schools are made by the Department which also pays for the maintenance of Indian children in these schools.

MONTMAGNY—ESTABLISHMENT OF HEAVY WATER PLANT

Question No. 1,555—**Mr. Lambert (Bellechasse):**

1. Has the Minister of Industry considered the possibility of establishing a heavy water plant in Montmagny?

2. Has the Minister of Industry undertaken research in this connection and, if so (a) what were the results of such research (b) was the area found suitable for such a plant (c) was the water required for such a plant found to be useable for this purpose (d) what is the approximate cost of construction of a heavy water plant?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): 1. The establishment of a heavy water plant in Montmagny has not been studied.

2. N/A.

[*English*]

YELLOWKNIFE, N.W.T.—PROHIBITORY REGULATIONS FOR AKAITCHO HALL

Question No. 1,588—**Mr. Orlikow:**

Do the regulations applicable to students residing at Akaitcho Hall, Yellowknife (a) prohibit students from visiting homes in Yellowknife without special permission from the Head Supervisor (b) prohibit students from riding in cars or taxis without permission from the Supervisors on penalty of dismissal from Akaitcho Hall (c) prohibit students who own cars from driving them while in Residence and require keys to such cars to be left with the Residence Superintendent (d) make the Old Town out of bounds to Residence students except with special permission from the Head Supervisor and, if so, what are the reasons for this prohibition (e) require students to attend church every Sunday morning and prohibit Sunday leave to students who have not attended church (f) require students invited to the homes of friends in Yellowknife to inform the Supervisor before accepting the invitation (g) require students' guests to Akaitcho Hall to sign the Guest Book and report to the Supervisor on duty?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): (a) No. Approval of a supervisor is required for overnight leave; (b) No. Permission of a supervisor is required but penalty is not stipulated; (c) No; (d) No; (e) No; (f) No. (With exception as indicated in (a) above; (g) No.

YELLOWKNIFE, N.W.T.—DATE OF PROMULGATION OF AKAITCHO HALL REGULATIONS

Question No. 1,589—**Mr. Orlikow:**

1. When were the regulations governing students living at Akaitcho Hall, Yellowknife promulgated and by whom?

2. Have the regulations for students at Akaitcho Hall been changed since first promulgated?

3. Have the regulations at Akaitcho Hall been approved by any officials of the Department of Indian Affairs and Northern Development beside the Resident Superintendent?

4. Were the regulations brought to the attention of any officials of the Department by the Superintendent of Akaitcho Hall and, if so, did they offer suggestions for changes, amendments, modifications, etc. and, if so, when and what suggestions were made by the Department?

5. Is each student at Akaitcho Hall required to sign a statement that he or she accepts these regulations?

6. Does the Department approve of these detailed regulations for students residing at Akaitcho Hall?

7. Do any of the other residences operated by the Department of Indian Affairs and Northern Development have similar regulations governing the living conditions of the residents?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The first regulations were outlined in 1958 by the Residence Superintendent.

2. These were revised in 1962 and again in 1964 and have been reviewed every year since 1964. The present regulations were promulgated in 1969.

3. Yes, by the Principal of Sir John Franklyn School.

4. Yes. No suggestions for amendments to the present regulations have been made by field officers of the Department.

5. No.

6. Yes.

7. Yes. The regulations at the other large residences operated by the Department at Fort Churchill, Manitoba and Whitehorse, Y.T. are appropriate to the situations there.

YELLOWKNIFE, N.W.T.—AKAITCHO HALL STUDENT COUNCIL

Question No. 1,590—**Mr. Orlikow:**

1. Does Akaitcho Hall, Yellowknife have a Students Council and, if so, how many members are on the Council?

2. Are members of the Students' Council at Akaitcho Hall elected or appointed and by whom are the members elected or appointed?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Yes. Akaitcho Hall has a Student Council consisting of 12 members.

2. The members are elected by the student body.

YELLOWKNIFE, N.W.T.—USE OF AKAITCHO HALL GYMNASIUM

Question No. 1,592—**Mr. Orlikow:**

1. Do the regulations applicable to students residing at Akaitcho Hall, Yellowknife, require students using the gym to check with the Supervisor before going into the school?

2. Do the regulations require students to file their leave cards with their Supervisors before leaving for the gym and to pick them up after leaving the gym, and are they subject to a penalty if they fail to do so?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The regulations concerning admittance to the school gymnasium are made by the school principal, and apply to town students as well as residence students.

2. No.

YELLOWKNIFE, N.W.T.—NATURE OF PROHIBITIONS AT AKAITCHO HALL

Question No. 1,593—**Mr. Orlikow:**

Do the regulations applicable to students residing at Akaitcho Hall, Yellowknife (a) prohibit swearing and can infraction of this rule lead to dismissal from the residence and have any students been dismissed for this reason (b) prohibit the chewing of gum within the Residence (c) prohibit smoking during the period of their residence for those students who did not smoke before coming to Akaitcho Hall (d) provide that leave privileges for all residents can be cancelled if one student is guilty of unacceptable behavior (e) provide that each and every leave must be authorized by the Supervisors (f) provide that students must sign a leave sheet every time they both go out of and come back into the building (g) grant evening leave only in exceptional circumstances and where they are specifically cleared with the Supervisors?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): (a) No. Students are encouraged to refrain from use of obscene language; (b) No; (c) No. Smoking is confined to certin specific rooms; (d) No; (e) No; (f) No; (g) No.

SPONSORSHIP OF POLITICAL BROADCASTS

Question No. 1,632—**Mr. Skoberg:**

1. Do both federal and provincial partisan political broadcasts require sponsorship announcements at times other than during an election campaign?

2. If not, has the Act been changed and, if so, when?

[Mr. Chrétien.]

3. Has the Commission authority to enact regulations as to the manner in which controversial programmes shall be broadcast and, if so, has any change been made in these regulations and when was the change made?

4. When does the Commission consider partisan political broadcasts, other than during an election campaign, to be controversial?

5. What authority determines specific rulings regarding programmes of a controversial partisan political character?

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Radio-Television Commission as follows: 1 and 2. Yes. Licensees were required by Section 17(2) of the former Broadcasting Act to identify the sponsor and political party for broadcasts of a partisan political character. Licensees are required by Section 28(2) of the Broadcasting Act to identify the sponsor and political party of broadcasts of programs, advertisements or announcements of a partisan character.

3. Yes. No changes made as yet.

4. This is a matter for the exercise of the regulatory and supervisory functions of the Commission as authorized by Section 15,2(d), and 16(1)(b)(i) of the Broadcasting Act.

5. See 4.

TOLLS ON DETROIT-WINDSOR TUNNEL

Question No. 1,672—**Mr. Danforth:**

Were any negotiations held between the Government of Canada and the officials of the Detroit and Windsor Subway Company re the increase in tolls on the tunnel between Detroit and Windsor (a) if so, in what manner were the rates determined that provided for such a drastic increase (b) if not, were any protests made officially by the Canadian Government (i) over the amount of increase (ii) over the sudden imposition without any warning to the trade (c) if the Canadian Government did not have a part in the negotiations or has not launched a protest, will the government now review the new schedule with a view to protesting that such an increase be reduced to a more reasonable level or disallowed entirely?

Hon. Paul Hellyer (Minister of Transport): The Canadian Transport Commission advises as follows: There were no negotiations between the Commission and the Company. (a) Not applicable; (b) (i) No protests were received by the Canadian Transport Commission; (ii) No protests were received by the Canadian Transport Commission; (c) It is open to anyone, at any time, to make application to the Commission regarding any tolls of the Company.

TRANSFER OF AIRLINE SERVICES FROM MONTREAL TO TORONTO

Question No. 1,725—**Mr. Beaudoin:**

1. Have one or more airline companies requested the transfer of their services from Montreal to Toronto?

2. If so, what are their names?

3. How many per year, from January 1, 1966 to March 1, 1969?

Hon. Paul Hellyer (Minister of Transport): The Canadian Transport Commission advises as follows: 1. No.

2. Not applicable.

3. Not applicable.

WYNYARD, SASK., FEDERAL BUILDING

Question No. 1,747—**Mr. Burton:**

Will the Department of Indian Affairs and Northern Development be making use of space in the new federal building to be constructed in Wynyard and, if so, what are the approximate space requirements of the Department?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): No.

LINGUISTIC QUALIFICATIONS OF ATOMIC ENERGY EMPLOYEES

Question No. 1,749—**Mr. Fortin:**

1. Of the employees of Atomic Energy of Canada Limited in the Province of Quebec, how many (a) have French as their mother tongue (b) have English as their mother tongue (c) are bilingual (d) have some other language as their mother tongue?

2. What is the salary of each of these employees?

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): In so far as Atomic Energy of Canada Limited is concerned: 1. (a) 5; (b) 4; (c) 8; (d) Nil.

2. It is the policy of Atomic Energy of Canada Limited not to publish individual salaries.

LINGUISTIC QUALIFICATIONS OF RESEARCH COUNCIL EMPLOYEES

Question No. 1,780—**Mr. Fortin:**

1. Of those persons employed by the National Research Council earning $17,000 and over, how many are there whose mother tongue is French and, if there are none, what steps does the Council intend to take to remedy this situation?

2. What is the policy of the National Research Council with regard to (a) bilingualism (b) the recruiting of French-speaking Canadians?

3. What is the total amount of the National Research Council's capital assets in (a) Ontario (b) Quebec?

4. How many employees does the Council have in (a) Ontario (b) Quebec?

5. Does the National Research Council intend to establish research laboratories in Quebec and, if not, for what reason?

Hon. C. M. Drury (President of the Treasury Board): 1. Eight.

2. (a) and (b) For many years it has been the policy of the National Research Council to recruit both French-speaking and English-speaking persons for its staff. In keeping with present government policy, it is the policy of the Council to intensify its efforts to recruit French-speaking persons and to strengthen further its links with Canada's French-speaking universities.

In all cases where there is a significant requirement for the use of the second language, it is the policy of the Council to assist its employees to develop the necessary language skills. Younger English-speaking scientists and other members of the professional staff are particularly to be encouraged to develop and maintain their French language ability as a means of helping them to improve their communication with French-speaking persons in their fields of interest and of enhancing the attractiveness of the Council's laboratories to French-speaking scientists.

3. (a) Ontario $90,636,000, of which $84,096,000 is in the National Capital Region; (b) Quebec $18,000.

4. (a) Ontario 3,352 of whom 3,328 are in the National Capital Region; (b) Quebec 7.

5. No. The Council does not have plans to establish any new research laboratories at the present time.

C.B.C. USE OF CUBAN FILMS

Question No. 1,784—**Mr. Paproski:**

1. Has the C.B.C. recently concluded an agreement with the Government of Cuba for the use of that Government's films on the CBC French network?

2. Has this agreement been approved by Cabinet and, if so, what is its purpose?

Hon. Gérard Pelletier (Secretary of State): I am informed by the C.B.C. as follows: 1. No. However, the C.B.C.'s French network had discussed the exchange of films and television films with Cuban representatives and is currently considering certain films from Cuba in the course of its normal evaluation of foreign films for possible broadcast use.

2. Not applicable.

Questions

NORTH BATTLEFORD, SASK.—SCHOOL CURLING C.B.C. COVERAGE

Question No. 1,802—**Mr. Thomson:**

1. What amount of television time has the CBC given to the Canadian School Curling Championships held recently in North Battleford?

2. Has a longer period been allowed to other events of a similar nature?

Hon. Gérard Pelletier (Secretary of State): I am informed by the C.B.C. as follows: 1. Due to the difficulties presented by the tremendous distance separating North Battleford from the nearest production centre, the C.B.C. was not in a position to give national live network coverage of this event. However, station CBWT in Winnipeg did present a 7-minute filmed telecast of the event on February 28.

2. The Canadian Curling Championships held in Oshawa from March 3 to March 7 were covered in nightly 20-minute reports plus a 2-hour wrap-up on Saturday, March 8 on the full network. The World Curling Championships in Perth, Scotland were covered in a live 2-hour feature on Saturday, March 22, on the full network.

EMPLOYMENT OF MR. JEAN-PAUL RACINE

Question No. 1,818—**Mr. Lambert (Bellechasse):**

Is Mr. Jean-Paul Racine in the employ of the federal government or one of the Crown corporations and, if so (a) what is his position (b) what is his annual salary?

[*Translation*]

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Jean-Paul Racine was an employee of this department for the period February 27, 1967 to January 31, 1968 at which time he resigned to accept employment with the Quebec provincial government. (a) His position was that of a "Manpower Counsellor", and (b) his salary was $7,402 per annum.

[*English*]

CANADIAN WHEAT TO IVORY COAST

Question No. 1,823—**Mr. Godin:**

Has the Ivory Coast received the Canadian wheat which it ordered at the end of November 1968 and, if so, when was delivery of this wheat effected?

[*Translation*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, since the request for wheat was subsequently withdrawn by the Ivory Coast.

[Mr. Pelletier.]

[*English*]

TRANSFER OF INDIAN AGENCY TO NORTH BATTLEFORD

Question No. 1,827—**Mr. Thomson:**

On what basis or for what reason did the Department of Indian Affairs and Northern Development transfer the Indian Affairs Agency from Battleford to North Battleford (a) what was the rent previously paid by the Indian Agency for this space required by it in Battleford (b) what is the present rent paid for this Agency in North Battleford?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): The Battleford Indian Agency was transferred from Battleford to North Battleford to improve the overall administration of the Agency and for the convenience of the Indians. (a) The Indian Agency did not pay rent in Battleford as the office occupied space in a Federal building; (b) This Department was informed by the Department of Public Works that $20,736.00 rent is paid for the Agency Office in North Battleford.

IMMIGRATION APPEAL COURTS

Question No. 1,835—**Mr. Rondeau:**

How many Immigration Appeal Courts are there in Canada (a) where do they sit (b) how many cases were heard in each of them in 1968 (c) what are the names and addresses of the members of these courts (d) what is the ethnic origin of each of these members (i) how many are bilingual (ii) how many speak only French (iii) how many speak only English (e) when were they appointed (f) what remuneration do they receive?

[*Translation*]

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): 1. There is one Immigration Appeal Court in Canada; (a) The Board may sit at such places in Canada as it sees fit pursuant to sub-section (2) of Section 6 of the Immigration Appeal Board Act; (b) At Ottawa, 1114 cases were heard. At Montreal, 67 cases were heard from October to December, 1968; (c) The names and addresses of the members are as follows: Miss Janet V. Scott, Ottawa; Mr. J. C. A. Campbell, Ottawa; Mr. J. P. Geoffroy, Longueuil, P.Q.; Mr. U. Benedetti, Ottawa; Mr. J. A. Byrne, Ottawa; Mr. F. Glogowski, Ottawa; Mr. J. P. Houle, Ottawa; Mr. G. Legaré, Ottawa; Mr. A. B. Weselak, Ottawa.

(d) The ethnic origin of the members is as follows: Canadian citizens; (i) Four members are bilingual and all other members have a working knowledge of the English and French languages; (ii) None speaks only French; (iii) One speaks only English. Some members

have a fluent or working knowledge of Polish, Italian, Czech, Ukrainian, German or Spanish; (e) The dates of appointment for the members of the Board are as follows: Miss Janet V. Scott, Chairman, August 15, 1967; Mr. J. C. A. Campbell, Vice-Chairman, October 1, 1967; Mr. J. P. Geoffroy, Vice-Chairman, October 1, 1967; Mr. U. Benedetti, Member, October 1, 1967; Mr. J. A. Byrne, Member, May 22, 1968; Mr. F. Glogowski, Member, October 1, 1967; Mr. J. P. Houle, Member, May 22, 1968; Mr. G. Legaré, Member, October 1, 1967; Mr. A. B. Weselak, Member, October 1, 1967. (f) The remuneration for the members of the Board is as follows: Chairman, $22,000; Vice-Chairmen, $21,000; Members, $19,000.

[*English*]

PASQUA INDIAN RESERVE LEASES

Question No. 1,837—**Mr. Burton:**

Have any cultivation leases or any other form of agricultural lease been granted on the Pasqua Indian Reserve and, if so (a) to whom have the leases been extended (b) what is the acreage in each lease (c) what is the life of each lease and when does each expire (d) what is the crop sharing arrangement for each lease?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Yes. Agricultural leases as follows:

(a)	(b)	(c)	(d)
Owen Campbell	1,200 acres	7 years — December 31, 1971	1967-$\frac{1}{5}$ 1968-$\frac{1}{4}$ thereafter $\frac{1}{3}$
Owen Campbell	640 acres	7 years — December 31, 1972	1967-$\frac{1}{5}$ 1968-$\frac{1}{4}$ thereafter $\frac{1}{3}$
Gerhardt & Fred Flaman	1,280 acres	5 years — December 31, 1971	1967-$\frac{1}{4}$ thereafter $\frac{1}{3}$
Wilfred A. Fromback	480 acres	7 years — December 31, 1971	$\frac{1}{5}$-1st crop $\frac{1}{4}$-2nd crop $\frac{1}{3}$ thereafter
Wilfred A. Fromback	320 acres	7 years — December 31, 1972	$\frac{1}{5}$-1967 $\frac{1}{4}$-1968 $\frac{1}{3}$ thereafter
Kenneth Mader	320 acres	6 years — December 31, 1970	$\frac{1}{4}$-1965, 1966 & 1967 $\frac{1}{3}$ thereafter
George G. Solomon & Donald M. McPherson	900 acres	6 years — December 31, 1971	$\frac{1}{4}$-1966 $\frac{1}{3}$ thereafter
George G. Solomon Donald M. McPherson R. H. Smith	230 acres	7 years — December 31, 1972	$\frac{1}{5}$-1967 $\frac{1}{4}$-1968 $\frac{1}{3}$ thereafter
R. J. Sthaman	960 acres	7 years — December 31, 1972	$\frac{1}{5}$-1967 $\frac{1}{4}$-1968 $\frac{1}{3}$ thereafter

Note: The reason for the $\frac{1}{5}$ and $\frac{1}{4}$ crop share during the intitial years of each term is to compensate the lessee for breaking and reclaiming the land during the first year.

COMPETITION FOR TREASURY BOARD SPECIALIST

Question No. 1,844—**Mr. Francis:**

1. Was a competition held for the position of Treasury Board Specialist, Ottawa, Ontario, Competition 68-0-ID-540 CR5, with a closing date of December 20, 1968?

2. Did the Public Service Commission hold a board which rated all the candidates?

3. Were any appeals lodged against the decision of the Public Service Commission?

4. Did the Department of Finance decide to cancel the competition after the decision of the Public Service Commission and, if so, what were the reasons for cancelling this competition?

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: 1. Competition 68-0-ID-540, CR 5, Records Management Division,

Treasury Board Secretariat, was held with a closing date of December 20, 1968. The title of the position was Records Retirement Clerk.

2. Yes.

3. Yes.

4. Yes. The competition was cancelled because there was a red-circled employee within the Department who should have been considered and appraised for the position before the Public Service Commission was requested to fill it by means of interdepartmental competition.

ELIGIBLE U.S. ARMY PERSONNEL ADMITTED TO CANADA

Question No. 1,845—**Mr. Mazankowski:**

How many citizens of the United States of America, of an age making them liable for service in the armed forces of their country, were admitted to Canada in 1966, 1967, 1968 and during the first two months of 1969 (a) how many of them have been granted landed immigrant status (b) on what basis are the remainder continuing to reside in this country?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): In answer to part (a) of the question, in 1966, landed immigrant status was granted to 1,460 United States citizens who were within the draftable age range. In 1967, the number was 1,805, and for 1968, the total was 2,797. No figures are yet available for 1969. Citizens and permanent residents of the United States who enter Canada as non-immigrants are not normally documented. Consequently, no data is available to answer part (b) of the question.

It should be noted that for a wide variety of reasons males in the United States within the draftable age range are frequently exempt from compulsory military service. It is possible, therefore, that some of the individuals included in the above figures might have been in a draft exempt category.

QUALIFICATIONS FOR CENTENNIAL MEDALS

Question No. 1,853—**Mr. Robinson:**

How many years service was required as a criteria in the awarding of Centennial Medals to the militia (a) Officers (b) N.C.Os. (c) men?

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): See reply to your question 737, dated 25 November, 1968, page 3125-6.

[Mr. Pelletier.]

OMISSIONS IN PRESENTATION OF CENTENNIAL MEDALS

Question No. 1,854—**Mr. Robinson:**

Did some militia units and/or formations not receive Centennial Medals for (a) officers (b) N.C.Os. (c) men and, if so, for what reason?

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): Some militia units and/or formations did not receive Centennial Medals because the allotment of medals made to the districts was limited and those considered most deserving received the medals in accordance with the criteria indicated in the reply to your question 737, dated 25 November, 1968, page 3125-6.

CIGARETTE EXPORTS

Question No. 1,856—**Mr. Godin:**

1. How many cartons of Canadian cigarettes were exported to the United States in 1965, 1966 and 1967?

2. Are these cigarettes exempt from Canadian duties?

3. If so, what is the selling price of these cigarettes?

Mr. Yves Forest (Parliamentary Secretary to the President of the Privy Council): I am informed by the Dominion Bureau of Statistics and the Department of National Revenue as follows: 1. The Dominion Bureau of Statistics has no record of the number of cartons of Canadian cigarettes exported. Statistics on exports of cigarettes are recorded in thousands.

The following shows the quantity of cigarettes exported to the United States:

Year	Quantity (000)
1965	22,035
1966	29,862
1967	53,219

2. Cigarettes exported are not subject to excise duty and taxes or to other domestic taxes applicable to goods used in Canada.

3. Information not available.

INQUIRY RE IMPROVEMENTS TO PORT OF CACOUNA

Question No. 1,857—**Mr. Godin:**

1. What is the natural depth of water in the port of Cacouna?

2. Has the federal government undertaken improvements to this port to date?

3. If so, what is the nature of the work and by what company is it being carried out?

4. What is the amount expended to date?

5. What will be the total cost of the project once it is finished?

[*Translation*]

Hon. Arthur Laing (Minister of Public Works): 1. From 5 to 28 feet at low water level.

2. Yes.

3. Dredging of the harbour, by Marine Industries Limited of Montreal, to a depth of 40 feet in the harbour and 46 feet in the berthing area.

4. To date $3,800,000. (approximately).

5. $4,600,000. (estimated).

[*English*]

DEPARTMENTAL LEGAL ADVISERS BEFORE IMMIGRATION BOARD

Question No. 1,865—**Mr. Haidasz:**

Since the inception of the Immigration Appeal Board (a) have any private lawyers been hired or used at the hearings on behalf of the Department of Manpower and Immigration or the Minister (b) what are the names of these lawyers (c) what fees were paid to these private lawyers in each case?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): No; the Minister of Manpower and Immigration is represented by Appeals Officers from his own Department, or lawyers from the Department of Justice.

BROMPTONVILLE, QUE.—POST OFFICE

Question No. 1,868—**Mr. Beaudoin:**

On what date was the Post Office built in Bromptonville, Richmond County, Quebec and what was (a) the cost of construction (b) the total cost of the most recent repairs or renovations, and (c) to whom was the contract for electrical work let in these repairs or renovations?

[*Translation*]

Hon. Arthur Laing (Minister of Public Works): Original contract for the construction of the post office at Bromptonville was awarded in January 1959. (a) $16,200; (b) $21,130 for addition and alterations; (c) Déziel et Dubois Inc., of Sherbrooke, Que.

[*English*]

NEWSPAPER ADVERTISING BY C.B.C.

Question No. 1,873—**Mr. MacEwan:**

1. What is the purpose of the widespread CBC-radio advertising campaign recently undertaken in various newspapers across Canada?

2. What was the total cost of the press campaign and what were the dates during which the advertisements were to appear?

3. In what newspapers have advertisements been placed on behalf of CBC radio network personalities and programs (a) in February (b) in March, 1969?

Hon. Gérard Pelletier (Secretary of State): I am informed by the C.B.C. as follows: 1. The purpose of the campaign is to encourage more people across Canada to listen to C.B.C. radio news, public affairs and current affairs programs.

2. The cost of the campaign for the months of February and March was $26,591 including $8,475 in contra accounts.

3. The following is the list of publications and dates on which advertisements have appeared:

Feb. Issue	Campus	Revol.-As It Happens
Feb. 15	Daily Star	As It Happens
Feb. 15	Globe and Mail	Sun. Supplement
Feb. 18	Daily Star	Gerussi
Feb. 19	Globe and Mail	Gerussi
Feb. 20	Daily Star	Concern
Feb. 22	Daily Star	Sun. Supplement
Feb. 22	Globe and Mail	As It Happens
Feb. 22	Financial Post	As It Happens
Feb. 24	Daily Star	World At 6/8
Feb. 26	Globe and Mail	Concern
March Issue	Campus	Revolution
March 1	Financial Post	World At 6/8
March 1	Daily Star	As It Happens
March 8	Daily Star	Gerussi

Questions

March 8	Financial Post	Concern
March 14	Time	Gerussi
March 19	Daily Star	Concern
March 22	Daily Star	World At 6/8
March 22	Vancouver Sun	World At 6/8
March 22	Calgary Herald	World At 6/8
March 22	Regina Leader-Post	World At 6/8
March 22	Edmonton Journal	World At 6/8
March 22	WPG Free Press	World At 6/8
March 22	Halifax Chronicle	World At 6/8
March 22	Saskatoon Star-Phoenix	World At 6/8
March 22	Ottawa Journal	World At 6/8
March 25	Vancouver Sun	Concern
March 25	Calgary Herald	Concern
March 25	Regina Leader-Post	Concern
March 25	Edmonton Journal	Concern
March 25	WPG Free Press	Concern
March 25	Halifax Chronicle	Concern
March 25	Saskatoon Star-Phoenix	Concern
March 25	Ottawa Journal	Concern
March 27	Vancouver Sun	Gerussi
March 27	Calgary Herald	Gerussi
March 27	Regina Leader-Post	Gerussi
March 27	Edmonton Journal	Gerussi
March 27	WPG Free Press	Gerussi
March 27	Halifax Chronicle	Gerussi
March 27	Saskatoon Star-Phoenix	Gerussi
March 27	Ottawa Journal	Gerussi
March 29	Vancouver Sun	Sun. Supplement
March 29	Calgary Herald	Sun. Supplement
March 29	Regina Leader-Post	Sun. Supplement
March 29	Edmonton Journal	Sun. Supplement
March 29	WPG Free Press	Sun. Supplement
March 29	Halifax Chronicle	Sun. Supplement
March 29	Ottawa Journal	Sun. Supplement
March 29	Saskatoon Star-Phoenix	Sun. Supplement
March 31	Vancouver Sun	As It Happens
March 31	Calgary Herald	As It Happens
March 31	Regina Leader-Post	As It Happens
March 31	Edmonton Journal	As It Happens
March 31	Daily Star	Sun. Supplement
March 31	WPG Free Press	As It Happens
March 31	Halifax Chronicle	As It Happens
March 31	Saskatoon Star-Phoenix	As It Happens
March 31	Ottawa Journal	As It Happens

STAMP VENDING MACHINES

Question No. 1,874—**Mr. Macquarrie:**

How many stamp vending machines were in service on each of the following dates: December 1, 1968, January 1, 1969, February 1, 1969, March 1, 1969?

Hon. Eric W. Kierans (Minister of Communications): In so far as the Post Office Department is concerned: December 1, 1968, 2,888; January 1, 1969; 2,878; February 1, 1969, 2,878; March 1, 1969, 2,886.

C.B.C. PAYMENTS TO RADIO NORD, INC.

Question No. 1,883—**Mr. Laprise:**

In the last five years, how much has the Canadian Broadcasting Corporation paid to Radio Nord, Inc., for radio and television broadcasting?

Hon. Gérard Pelletier (Secretary of State): I am informed by the C.B.C. as follows: Over the last five years, the C.B.C. has turned over to Radio Nord Inc., certain sums of money representing the latter's share of the commercial revenue for the C.B.C. programs it broadcasts, as a result of the terms of its contracts of affiliation with the C.B.C. It is not customary to reveal these amounts as they are of a confidential nature.

SECONDING FROM SOUTH AFRICAN OR RHODESIAN FORCES

Question No. 1,899—**Mr. Broadbent:**

1. Do the Canadian Defence Forces have any personnel seconded to them or associated with them in any way who are members of either the Defence or Armed Forces of the Union of South Africa or Rhodesia?

2. If so, (a) how many and (b) where are they stationed at present?

3. Where were they stationed in June 1968, if applicable?

Mr. D. W. Groos (Parliamentary Secretary to the Minister of National Defence): 1. No.

2. and 3. Not applicable.

QUESTIONS PASSED AS ORDERS FOR RETURNS

SUBSIDIES PROVIDED BY EXTERNAL AFFAIRS

Question No. 1,337—**Mr. Robinson:**

1. Does the Department of External Affairs provide subsidies and/or support programs for any segment of the economy, groups or individuals, inside Canada and, if so, to what extent, in what amounts, and to whom are the amounts paid?

2. What amounts have been paid for subsidies and/or support programs during each of the years 1960-68 inclusive?

Return tabled.

Orders for Returns

CROWN CORPORATIONS—AMENDMENT OF LETTERS PATENT

Question No. 1,403—**Mr. Caouette:**

In the last four years, did any Crown corporations have their letters patent amended and, if so (a) in what year (b) what was the purpose of each such amendment?

Return tabled.

TELEVISION SETS—DETAILS OF MANUFACTURE AND DISPOSITION

Question No. 1,462—**Mr. McGrath:**

1. What was the total value of sales in Canada during 1968 of (a) black and white, and (b) colour television sets, at both the wholesale and retail level?

2. How many sets in both (a) and (b) were sold during the year?

3 What proportion of sets in both (a) and (b) above were manufactured by Canadian companies, by Japanese companies, by United States companies, by other foreign companies?

4. How many Canadian companies manufacturing colour television sets are controlled by parent companies in the United States and, are there any such companies, or Canadian-owned companies, engaged merely in finishing half-built sets imported from the United States?

5. Were any unsold 1968 colour television sets shipped by their Canadian manufacturers to the United States and, if so (a) under what arrangements (b) at what unit price (c) was such action taken upon mutual agreement among Canadian manufacturers and, if so, who determined the unit sale price?

6. Did Canadian manufacturers report a loss in the difference between the cost of manufacturing each coloured television set and the price received upon shipment of each 1968 model to the United States and, if so, has the Department of Consumer and Corporate Affairs investigated whether any such losses are reflected in the prices of 1969 coloured TV models now on sale in Canada?

7. Have either or both the Consumer and Corporate Affairs Branch or the Restrictive Trade Practices Commission of the Department of Consumer and Corporate Affairs reviewed recent developments in the television manufacturing industry and, if so, has either Branch taken any action in regard to safeguarding Canadian purchasers of coloured television sets in 1969?

Return tabled.

MAN AND HIS WORLD—EVALUATION OF OPERATION

Question No. 1,479—**Mr. Fortin:**

1. Did the City of Montreal make any proposals concerning "Man and His World" and, if so, what was the federal government's response?

2. Has the government estimated the number of persons who will be unemployed following the closing of "Man and His World" and, if so, what is such estimate and, if not, will such an estimate be made?

3 Has the government evaluated the beneficial effects of "Man and His World" on the balance of payments and, if so, what was the result of such evaluation and, if not, will such an evaluation be made?

4. How much has the local problem of coal-mining in Nova Scotia cost the government since the creation of the Cape Breton Development Corporation?

5. How much does the government spend for maintaining the various Canadian monuments in Canada and abroad?

6. How much will the Canadian participation in the Osaka Exposition cost?

7. Has the government studied the possibility of creating a tripartite corporation to administer "Man and His World" and, if so, what are the conclusions of this study and, if not, for what reason?

8. For the past ten years, how much money has the federal government spent for federal parks and of this amount, how much was spent in the Province of Quebec?

Return tabled.

DEPORTATIONS—NUMBER AND LOCATION OF PERSONS HELD

Question No. 1,614—**Mr. Paproski:**

1. How many persons are currently being held in the Don Jail in Toronto on federal government deportation charges?

2. How many persons are being held in jail across Canada on federal government deportation charges?

3. How many persons facing federal deportation charges are out on bail?

4. How many persons on deportation charges and currently in detention without bail have been in jail for (a) more than one month (b) more than two months (c) more than three months?

Return tabled.

NUMBER AND LOCATION OF LOW RENT UNITS

Question No. 1,785—**Mr. Paproski:**

1. How many low-rent housing units were built under NHA financing in each of the following years: 1965, 1966, 1967 and 1968?

2. For the periods indicated above, in what cities were such units built and how many in each city?

3. Have any low rent housing units been built directly by Central Mortgage and Housing or have they in each case been partly financed by provincial and municipal governments and what is the general proportion of such financing?

Return tabled.

INCOME TAX—AMOUNT COLLECTED FROM INDIVIDUALS AND CORPORATIONS

Question No. 1,878—**Mr. Caouette:**

For each of the past six years, by province, and for Canada as a whole (a) what is the amount of federal income tax collected from individuals (b) what is the amount of federal income tax collected from corporations, as estimated on the basis of taxable income?

Return tabled.

Right Hon. J. G. Diefenbaker (Prince Albert): I rise to point out the delay in answering question 1,748, placed on the order paper on March 13, and having to do with Mr. Roger Duhamel. The answers may reveal that the government answers given to me earlier were not in accordance with the facts. But that is no excuse for delaying the answering of a question. It is obvious, whoever the responsible minister is, that apparently he is affronting parliament by failing to give an answer.

[*Translation*]

MOTIONS FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to the President of the Privy Council): Mr. Speaker, notices of motion Nos. 99 and 100 are acceptable to the government.

[*English*]

CONTRACTS FOR PURCHASE OF ROD SERVICE VEHICLES

Motion No. 99—**Mr. Macquarrie:**

That an Order of the House do issue for copies of the contracts between Rod Service Ltd. and the Government of Canada relative to the purchase in March 1969 of vehicles owned by Rod Service Ltd., and for copies of contracts between Transfer Lapalme and the Government of Canada for the sale of these vehicles to Transfer Lapalme.

Motion agreed to.

VEHICLE PURCHASE ORDERS SENT TO ROD SERVICE

Motion No. 100—**Mr. Macquarrie:**

That an Order of the House do issue for copies of Official Purchase Orders of the Post Office Department sent to Rod Service Ltd. at the time of purchase by the Government of Canada of vehicles from Rod Service.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, would Your Honour call notices of motion Nos. 84, 86, 88 and 101?

Mr. Speaker, I ask that the remaining notices of motion be allowed to stand.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, if these four are all being called so they can be objected to, perhaps they can be allowed to stand.

Hon. Donald S. Macdonald (President of the Privy Council): They are being called for that purpose, Mr. Speaker. Perhaps they can be allowed to stand.

Mr. Speaker: Shall the remaining notices of motion stand?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

HOUSING

REQUEST FOR LEGISLATION BEFORE SUMMER RECESS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of Transport whether the government has definitely decided to bring forward legislation on housing before the anticipated summer recess?

Hon. Paul Hellyer (Minister of Transport): That is still the plan, Mr. Speaker.

Mr. Stanfield: Mr. Speaker, I don't think the minister answered my question. Has the government definitely decided to bring forward such legislation?

Mr. Hellyer: It was decided weeks ago, Mr. Speaker.

Mr. Stanfield: In drawing up the proposed legislative program of the government between now and the end of the session, what priority is being given to housing legislation on the basis of the minister's task force report?

Mr. Hellyer: High priority.

Mr. G. W. Baldwin (Peace River): As a supplementary question, in view of the high priority which not only the minister but we on this side of the house and the country give to it, I would like to ask the Prime Minister if he would discuss with the government house leader the possibility, in fact the certainty of bringing in this legislation within 30 days?

Inquiries of the Ministry

Right Hon. P. E. Trudeau (Prime Minister): I shall gladly discuss that with him, Mr. Speaker.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I wonder if the minister who stated that this matter of legislation was urgent, when he introduced the report of the task force in January, still feels that it has the same measure of urgency as he spoke of then?

Mr. Hellyer: Yes, Mr. Speaker, it is even more urgent now than it was then.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, may I direct a supplementary question to the Prime Minister. Is it still the attitude of the government, as stated by him in this house on February 14 as recorded at page 5525 of *Hansard*, that until the constitution is amended governments are to a large degree powerless to solve housing and urban problems either alone or in co-operation with other levels of government?

Mr. Speaker: Order, please. I would think the hon. member is asking the Prime Minister to make a statement of policy, which I suggest cannot be done at this time.

Mr. Stanfield: As a supplementary question, Mr. Speaker, I would like to ask the Minister of Transport whether, in view of the fact that the Minister of Finance has rejected the recommendation concerning the 11 per cent sales tax on building materials, and since the Prime Minister has rejected the recommendation that a federal department of housing and urban affairs should be established, there has been any change in the minister's support for these two major recommendations?

Mr. Hellyer: No; my support to the extent that it has been given, Mr. Speaker, remains unchanged. Actually, Mr. Speaker, I was very careful to point out that any reduction in taxation could only be made when there are surpluses of revenues, but at the rate my hon. friend and his colleagues are bringing forward ideas for new expenditures I am not at all sure that this will ever take place.

NATIONAL DEFENCE

NATO—DEPLOYMENT OF AIR TRANSPORTABLE UNITS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of National Defence. In view of the statement attributed to him in the

press, and confirmed by the statements of General Dare at the External Affairs and National Defence Committee on February 4, that Canada has committed itself to an air transportable brigade group for employment in northern Europe and a battalion group in southern Europe, may I ask the minister when these commitments were made and whether or not they represent any increase in our commitments with respect to reserve air transportable units?

Hon. Leo Cadieux (Minister of National Defence): Mr. Speaker, I will have to conclude that I am gravely misunderstood, and I will have to refer to *Hansard* of December 18, 1967, page 5519, at which time I said this:

We also confirmed—

I was reporting on the NATO meeting in December.

—the continued availability from Canada for 1968 of (a) our already earmarked naval forces; (b) two brigades retained in Canada and already earmarked for Europe.

And I also stated this:

In respect of our plans after 1968—

That is for 1969, this year.

—we proposed, as forecast in the white paper of 1964, to substitute one air transportable brigade group based in Canada for the two brigades now earmarked in Canada.

This was very clearly an indication that what we called at the time the balance of the division was being reduced from two brigade groups to one brigade group, and this is exactly what I stated yesterday, that we have that commitment to a European NATO mobile force.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the minister a supplementary question. In view of the Prime Minister's statement that the government was embarking upon a phased reduction of our NATO forces, and in view of the fact that we have a reserve commitment of one air transportable brigade unit and one battalion, does this mean that the government already in its own mind has committed itself to the withdrawal of the brigade now already in Europe?

Mr. Cadieux (Labelle): I do not necessarily see any such implication, Mr. Speaker.

Hon. Robert L. Stanfield (Leader of the Opposition): Subject to the misunderstanding of the minister, Mr. Speaker, I would like to ask him whether he and the Secretary of State for External Affairs stated at Washington that the proposal of the Government of Canada with regard to NATO forces would be decided before the May meeting of the Defence Council of NATO?

Mr. Cadieux (Labelle): First of all, Mr. Speaker, I did not make any statement. I had conversations with our colleagues within the alliance. I think what was indicated, and to my understanding what has been indicated even here in Canada, was that negotiations with our allies would begin in May. There are different stages that we have to go through before we confirm these plans at the December meeting, but this process was going to start, and I think we did indicate that it would start at the May meeting.

Mr. Stanfield: I wish to direct a supplementary question to the Prime Minister. Is he aware that the Secretary of State for External Affairs said definitely in Washington that these decisions would be taken before the May meeting of the Defence Council of NATO?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Stanfield: Then just one further supplementary question, Mr. Speaker. Would the Prime Minister secure and make available a transcription of the press briefing made in Washington by the Secretary of State for External Affairs?

Mr. Trudeau: I will ask him to get a copy of the statement for me, Mr. Speaker.

[*Translation*]

A.B.M. SYSTEM—USE OF CANADIAN BASES BY U.S.

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wish to address a question to the Minister of National Defence.

Is he in a position today to reply to the question I asked him on March 26 last, that is whether Canada is committed or has agreed to allow the American government to use the Canadian bases located in the Canadian Far North in order to establish an emergency airborne system and whether the government has pledged itself to supply those bases or to allow the United States to use such bases on our territory?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I am informed by the responsible officials in the department that no specific agreement has been entered into to supply bases for that particular system.

I must, however, point out that this system is assigned to the air defence forces of North America. Under the NORAD Agreement the American forces will then be able to use with the consent of the Canadian Armed Forces our Canadian bases for supplies and training, according to needs.

On the other hand, permanent use would require negotiations between the two governments. I can assure the hon. member that there were no negotiations conducted at any level whatever to use for such a purpose our bases located in the Far North.

[*English*]

FUTURE USE OF U.S. BASES IN NEWFOUNDLAND

Mr. James A. McGrath (St. John's East): Mr. Speaker, I wish to direct a supplementary question to the Minister of National Defence. During the course of these negotiations in Washington was the future of American bases in Newfoundland and Labrador discussed?

Hon. Léo Cadieux (Minister of National Defence): No, sir.

CANADA COUNCIL

GRANT TO STANLEY GRAY—REQUEST FOR INVESTIGATION OF POLITICAL ACTIVITIES

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is directed to the Secretary of State. Was the Secretary of State advised of the Canada Council grant to Stanley Gray before the grant was announced to the public, and if so at what stage of the proceedings was he so advised?

Mr. Speaker: I am not sure whether this is the type of question that can be asked at this time. I have the impression that the question should either be placed on the Order Paper or discussed at the time of adjournment.

Mr. Dinsdale: Perhaps, Mr. Speaker, with your permission I may rephrase my question to make it a matter of great urgency.

Some hon. Members: Oh, oh.

Mr. Dinsdale: Will the minister determine and report to the house whether officials of the Canada Council dealing with Mr. Gray's application gave any consideration to Mr. Gray's involvement in disruptions at McGill, and will he present to the house a clear statement of the government's position on the question of Canada Council awards to persons known to counsel or encourage violent social disruption and revolution?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I was normally informed by the Canada Council after the decision was taken.

The Council itself took into consideration the problems raised, as indicated by the reply which I have here and which states that the academic panel had passed a resolution recommending that a grant be given to Mr. Gray. But in the meantime, due to the publicity given to the part played by Mr. Gray in the events which took place throughout last winter at McGill University, the chairman and other members of the Council advised the academic panel that the final decision in that matter would be taken by the Council itself, since finally it would have to assume the responsibility.

On March 31, the matter was considered at length by the academic committee which is made up of members of the Council who on account of their experience and special interests are especially concerned with the activity of that Council in university circles. That committee has ratified in its turn the recommendation of the selection committee of university affairs.

As for the policy of the Canada Council, this organization is acting in accordance with the legislation governing it and which does not allow it to base its decisions at the academic level on political considerations.

[*English*]

Mr. Dinsdale: In light of the minister's statement I wonder whether he will investigate and report to the house in respect of Mr. Gray's statement that—

—I have reason to believe the decision was postponed until now for political reasons.

[*Translation*]

Mr. Pelletier: Mr. Speaker, I do not have to make any kind of investigation on that point, because I know it has not been the case.

Inquiries of the Ministry

[*English*]

Mr. Andrew Brewin (Greenwood): Mr. Speaker, will the Secretary of State take this opportunity to assure the house that it will continue to be the policy of the government not to allow any agency for which it is responsible to base academic awards on political considerations?

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, it is my understanding, as reported in the paper that this confirmed anarchist has rejected this grant. Will the Secretary of State give this grant to the Edmonton Folk Arts Council, which applied for a grant in order to visit Tunisia and France? This group consists of 40 young and intelligent exchange students.

Mr. Speaker: Order, please.

CANADIAN BROADCASTING CORPORATION

ALLOTMENT OF AIR TIME TO JERRY RUBIN—TERMINATION OF PROGRAM "DON MESSER'S JUBILEE"

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, after the dissertation by the Secretary of State in respect of freedom for anarchists I should like to ask him whether he is aware that some little or petty Caesar of the C.B.C. has announced that Jerry Rubin will be accorded one night or one hour, whatever the period is—perhaps one hour of one night—on the C.B.C. on either Thursday or Friday of this week to spread and disseminate his seditious and even treasonable utterances?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am not aware that I made a dissertation on freedom for anarchists, and I do not see why the right hon. gentleman is insinuating that I did.

As for the facts he mentioned, I could make inquiries, but I am not aware of them.

[*English*]

Mr. Diefenbaker: Mr. Speaker, the minister cannot talk contemptuously to parliament in that way, I would suggest.

Some hon. Members: Hear, hear.

Mr. Speaker: Does the right hon. gentleman rise to ask a supplementary question?

Mr. Diefenbaker: Yes. I had to answer the last part of his gratuitous reference.

Mr. Speaker: Order, please. The right hon. gentleman knows better than I do that—

[Mr. Pelletier.]

Mr. Diefenbaker: He sure does.

Mr. Speaker: The right hon. gentleman has confirmed that he knows he cannot answer and that he can only ask questions.

Mr. Diefenbaker: We never get answers, anyhow. I should like to ask the minister whether he will get in touch with the C.B.C. to find out why, whoever this individual is, he defies the government of Canada, which directed that Rubin should not be heard? Will he at the same time find out why a show as popular as the Messer show is being denied to the people of Canada by these individuals who prefer revolutionaries?

Some hon. Members: Hear, hear.

EXPROPRIATION

INQUIRY AS TO INTRODUCTION OF LEGISLATION

Mr. Hyl Chappell (Peel South): Mr. Speaker, I should like to ask the Minister of Justice to tell us when he will be bringing in new legislation in respect of expropriation, to which he referred last October and again in December?

Hon. John N. Turner (Minister of Justice): I hope within the next two or three weeks, Mr. Speaker.

Mr. Eldon M. Woolliams (Calgary North): May I ask a supplementary question?

Mr. Speaker: Is the hon. member going to ask a question supplementary to the one asked by the hon. member for Peel South?

Mr. Woolliams: Yes, Mr. Speaker.

Mr. Speaker: I recognize the hon. member for Calgary North.

Mr. Woolliams: I should like to ask the Minister of Justice whether this new expropriation law will apply to the airport north of Montreal and all its ramifications?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the hon. member is asking me for a legal opinion. I will be glad to consult with him, once he has seen the bill.

Mr. Baldwin: I thought you were going to the Supreme Court of Canada.

Mr. Woolliams: Mr. Speaker, I would be the last person to ask the Minister of Justice for a legal opinion.

[*Translation*]

DOMINION-PROVINCIAL RELATIONS

JUNE CONFERENCE DATE—TELEVISING OF PROCEEDINGS

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I wish to address a question to the Prime Minister.

In view of a statement made by officials of the Ontario government to the effect that the next federal-provincial conference on the constitution would take place from June 11 to 13, is the Prime Minister in a position to tell the house whether or not a decision has been reached in this connection, and, if not, when we may expect one?

The Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, I am glad to confirm this statement. A decision was taken yesterday. As a matter of fact, we had set other dates, but, as they were unacceptable to two provinces, we made a number of telephone calls as late as yesterday. It seems that the 11th, the 12th and the 13th will suit every province, subject to confirmation in writing, but there appears to be good grounds for that premature announcement.

Mr. Asselin: I have a supplementary question, Mr. Speaker.

Could the Prime Minister assure us that the proceedings at that conference will be broadcast on radio and television as has been the case for the other conferences?

Mr. Trudeau: Mr. Speaker, at the request of some premiers, this meeting will include not only premiers and ministers, but also a certain number of officials. This is what has been requested by one premier, and for that reason we do not believe it useful to telecast those joint meetings of ministers and officials.

[*English*]

COMBINES

DRUGS—PRICE FIXING BY B.C. PHARMACISTS

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I should like to ask the Minister of Consumer and Corporate Affairs whether he is aware of the present price-fixing manoeuvres of the British Columbia Pharmacists Society in charging all welfare patients an extra dollar per prescription for drugs and, if so, what action he contemplates to deal with this matter?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am aware of the action and, as a result of the little knowledge I have about it, I do not approve. I should however advise the hon. member that the practice of pharmacy is within provincial jurisdiction under their provincial licencing authority.

Mrs. MacInnis: Will the minister refer the matter of such apparent price fixing in respect of professional fees to the combines investigation branch?

Mr. Basford: It has been for some time, Mr. Speaker.

FISHERIES

HERRING—CLOSING OF BAYS TO SEINERS

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I should like to direct my question to the Minister of Defence Production in his capacity as the acting minister of fisheries. Has the Minister of Fisheries issued instructions closing any large bays on the east coast to Canadian herring seiners, effective April 15, and, if so, was this action taken as a result of a shortage of herring, or what was the reason for this move since it has a great impact on herring reduction plants and Canadian herring fishermen?

Hon. Donald C. Jamieson (Minister of Supply and Services): Mr. Speaker, I would have to take that question as notice; it sounds fairly involved. If the hon. member would care to consult with me later, I would be glad to get the information for him.

REGIONAL DEVELOPMENT

P.E.I.—DISCUSSION OF FINANCIAL PROBLEMS WITH PROVINCIAL AUTHORITIES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I have a question for the Prime Minister. In view of the statement made by the provincial treasurer of Prince Edward Island in his budget speech yesterday that "nowhere in the hard line taken by the Minister of Finance, Mr. Benson, was there any recognition of those regional disparities to which the federal government stands pledged to give consideration, and which are clamouring for redress", would the Prime Minister, in view of this belief held by the provincial government of Prince Edward Island, say whether it is his intention to discuss these financial problems with the government of Prince Edward Island in the near future, or have the Minister of Finance do so?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, technically speaking I suppose the quotation is correct, in the sense that it is

perhaps not the Minister of Finance who should concern himself in the first instance with regional disparities, but we have a Minister of Regional Economic Expansion whose proper concern it is and who effectively signed with the province of Prince Edward Island a month or so ago a FRED plan under which the federal government will be contributing $125 million.

Mr. Donald MacInnis (Cape Breton-East Richmond): A supplementary question, Mr. Speaker. In order to keep abreast of the affairs going on in the government, I ask the Prime Minister, who is the Minister of Forestry and Rural Development?

Mr. Trudeau: There is none, Mr. Speaker.

Mr. MacInnis: A further supplementary question, Mr. Speaker. Would the Prime Minister take care to be accurate in the future?

Some hon. Members: Oh, oh.

Hon. J. A. MacLean (Malpeque): A supplementary question, Mr. Speaker, to the Minister of Regional Economic Expansion. I ask the minister whether he intends to hold conversations in the near future with the government of Prince Edward Island relative to financial problems which are outside of the comprehensive development plan.

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, my sole power is that of being able to discuss with the government of Prince Edward Island, within the framework of FRED, under which we have an agreement with that government.

[*English*]

ARNOLD'S COVE, NFLD.—RESETTLEMENT PROGRAM

Mr. Walter C. Carter (St. John's West): Mr. Speaker, my question is directed to the Minister of Defence Production in his capacity as Acting Minister of Fisheries. Would the minister inform the house whether the government intends to investigate the government's resettlement program in Arnold's Cove, Newfoundland, in view of the very serious questions raised in the C.T.V. program "W-5" of April 6?

Mr. Speaker: Order, please. The hon. member is making a representation to the minister and has to assume that it will be taken into account.

[Mr. Trudeau.]

HEALTH AND WELFARE

MEDICARE—CONSIDERATION OF VIEWS EXPRESSED BY P.E.I.

Mr. Heath Macquarrie (Hillsborough): A supplementary question, Mr. Speaker, to the Prime Minister. In view of the statement of the provincial treasurer of Prince Edward Island that it would be wrong for the federal government to force the provinces to go it alone on medicare in five years, will the Prime Minister say whether the views of the government of Prince Edward Island in this respect will be, or are being, considered by the federal government and whether further intergovernmental discussions are in contemplation at an early date?

Right Hon. P. E. Trudeau (Prime Minister): Not on the medicare act proper, Mr. Speaker.

RUBELLA EPIDEMIC—ACCESSIBILITY TO VACCINE

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I have a question for the Minister of National Health and Welfare, one of urgent concern to all Canadian women who may become mothers during the next few years.

In view of the medical expectation of an epidemic of rubella during 1970 and 1971, and in view of the possible resultant causation of fetal abnormalities more widespread than those during the thalidomide tragedy, can the minister inform the house what the prospects are for Canadian women to have access to supplies of the Cendehill anti-rubella vaccine, which newspapers say has recently been licensed in Switzerland?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I would be glad to look into that matter and report to the hon. member in the house.

AIR CANADA

WINNIPEG—TRANSFER OF BASE TO NORTHWEST INDUSTRIES LTD.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is for the Minister of Transport and it relates to the transfer of the Air Canada base at Winnipeg to Northwest Industries Ltd. What steps is the government taking to make sure that the employees affected will not be either unemployed or forced to take work at lower wages than they have had under Air Canada?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, as my hon. friend knows, every

effort has been made to work out an arrangement which will be equitable to everyone involved and which will not mean a loss of employment to the people presently engaged in the industry, and which hopefully, in the longer run at least, will provide additional employment for people in those basic trades which will have to support the growing aircraft industry of the future. If my hon. friend wishes to have details of the negotiations, these I could ask for; I do not have them available at the present time. But every effort has been made to try to do justice to the situation, particularly to the men, and to give them their choice as to whether they wish to remain with Air Canada and exercise their rights under the present agreement, or to go with the new company.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. In view of the assurances the minister gave earlier, that there would be no loss of work or reduction in wages, will he at some early opportunity provide the details to which he has referred?

Mr. Hellyer: I will make an effort to do that, Mr. Speaker. It may take a few days. I understand there have been some hitches in the negotiations. But at an early, appropriate occasion I will be glad to do that.

Mr. Ed. Schreyer (Selkirk): A supplementary question, Mr. Speaker. I should like to ask the Minister of Transport whether, in view of the fact that at the time of the Thompson inquiry into the future of the Air Canada base at Winnipeg officials of Air Canada gave testimony that the Air Canada overhaul base at Dorval was being under-utilized, and in view of the recent order for return in this house showing that over $20 million has now been allocated for the expansion of this so-called under-utilized base, will the minister not agree with the officials of Air Canada—

Mr. Speaker: Order, please. The hon. member is presenting an argument. This is debate, not a question.

INDUSTRY

DEVCO—COMPULSORY RETIREMENT OF MINERS

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, yesterday the hon. member for Northumberland-Durham (Mr. Honey), in answering a question by the hon. member for York South (Mr. Lewis), undertook to answer today a question about the early retirement of Devco miners. I wonder whether he has that answer available.

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, the hon. member for York South asked yesterday whether Devco had passed a by-law providing for pre-retirement leave and whether such by-law had been approved by the Treasury Board.

Of course, Devco has passed a by-law providing for such leave and I believe the Treasury Board wil give its approval tomorrow.

[*English*]

Mr. MacInnis: Mr. Speaker, I would ask the minister a further question because apparently something is wrong with my hearing equipment and the translation is not coming through too well. Can the minister state definitely if and when Treasury Board will give the approval that is required under section 18 of the early retirement plan?

Mr. Speaker: Order, please. The minister has just given the reply.

[*Later:*]

Mr. MacInnis: Mr. Speaker, I have a further supplementary question for the minister. In view of the fact that the Treasury Board is to approve this legislation tomorrow, will it be possible for Devco to give the miners the required month's notice, since the retirement plan will not be legal until it is approved by Treasury Board?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, since this pre-retirement leave plan has been approved by the cabinet, even if tomorrow the Treasury Board were to decide tomorrow not to approve it, it would still not be too late to cancel the notices sent to the workers.

[*English*]

Mr. MacInnis: Mr. Speaker, I wish to rise on a point of order. May I point out that the minister seemed to be enjoying the fact that I could not understand what he was saying, but the fact is that my translation equipment is not working.

An hon. Member: Try to learn French.

Mr. MacInnis: I have no intention of doing so. I did not understand the minister because, as I indicated, my translation equipment is not working.

Mr. Speaker: Order, please.

Inquiries of the Ministry

ROYAL CANADIAN MOUNTED POLICE

RELATIONSHIP BETWEEN STANLEY GRAY AND FRED ROSE

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Solicitor General. Can the minister tell the house whether the R.C.M.P. has made any investigation into the rumoured relationship between Mr. Stanley Gray and Mr. Fred Rose, a former member of this house?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, it has not been the practice to disclose what investigations the police authorities make in matters of this nature. This has been the practice of all governments in recent times.

TRANSPORT

P.E.I.—NEW BRUNSWICK HOVERCRAFT SERVICE

Mr. David MacDonald (Egmont): My question is directed to the Minister of Transport. In view of the forecasted need for at least two additional ferries for the Northumberland Strait crossing over the next five years, and the recent amendments by the minister's colleague to the Canada Shipping Act with regard to air cushioned vehicles, I wonder whether the minister's department is now investigating or researching projects to establish hovercraft service from Prince Edward Island to New Brunswick.

Hon. Paul Hellyer (Minister of Transport): We have been looking at this question for some time. It was considered as one of the possible alternatives for providing service to the island. If I remember correctly, the latest report that I saw indicates that with the equipment presently available this would not be advisable, from the standpoint of cost and convenience, as compared with other forms of transportation.

Mr. MacDonald (Egmont): I wonder if, in connection with the ferry crossing and the considerable uncertainty which still exist with regard to both the schedule and fare structures, the minister will make an announcement shortly in the house, or have officials of the C.N.R. make such an announcement, before the commencement of greater activity in that operation.

Mr. Hellyer: Yes, Mr. Speaker. Assuming the commencement of greater activity can be postponed for just a few days, I can undertake to do that.

[Mr. Speaker.]

HOUSING

EXTENSION OF LOAN FORGIVENESS PROVISION ON MUNICIPAL PROJECTS

Mr. Mark Rose (Fraser Valley West): My question is directed to the Minister of Transport in his capacity as minister in charge of housing. Since the housing task force report recommended loans and grants to municipalities in order that they might increase the amount of service land available, does the government contemplate any extension of the N.H.A. 25 per cent loan forgiveness provisions for municipal capital works projects, which are due to expire in March, 1970?

Mr. Speaker: Order, please. This does not appear to be a matter of great urgency, if the hon. member is alluding to a situation which will not occur for another year.

Mr. Rose: May I rise on a point of order, Mr. Speaker, regarding the urgency of my question. Projects of this type require a great deal of planning long in advance. I wonder therefore if the minister might answer my question.

Mr. Speaker: Order, please. I suggest to the hon. member that if he is satisfied the matter is urgent, it can be debated at the time of adjournment.

TRANSPORT AND COMMUNICATIONS

INQUIRY AS TO MOTION FOR CONCURRENCE IN FIFTH REPORT

Mr. James A. McGrath (St. John's East): My question is directed to the President of the Privy Council. In view of the fact that it is impossible for the Standing Committee on Transport and Communications to give consideration to making its final recommendations to the house in connection with its study of the transportation problems of the Atlantic provinces until the house has disposed of the fifth report, will the minister tell the house, in his capacity as house leader, when he intends to bring forward the motion for concurrence in the fifth report, so that it can be disposed of and so that the transport committee can get down to making its final report on this matter?

Hon. Donald S. Macdonald (President of the Privy Council): As I recall it, Mr. Speaker, the house spent a full day debating that matter, without making any progress. In the light of the heavy legislative schedule I do not expect to see it back at an early date.

Mr. McGrath: I have a supplementary question, Mr. Speaker. In view of the answer of the minister, would he now consider bringing in a measure to disband the Transport Committee, since it cannot conduct its study?

Mr. Speaker: Order, please.

DRUGS

CANADIAN ACTION IN MARKETING OF ANTIBIOTICS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I direct a question to the Minister of National Health and Welfare. In view of the fact that the United States Food and Drug Administration served notice that it intends to stop the marketing of 78 drug products containing antibiotics on the grounds that they expose the patients to unnecessary risk, I want to ask the minister whether his department is in touch with the United States Food and Drug Administration and if his department intends to take similar action with respect to these drugs?

Hon. John C. Munro (Minister of National Health and Welfare): We are checking the matter and considering what type of action we will take. I am not prepared to say at present what it will be, but I will report on the matter after our investigation is completed. I hope to do so as soon as possible.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question, Mr. Speaker. May I ask whether there is a continuing liaison between the minister's department and the United States Food and Drug Administration, so that we may be fully aware of the results of their research and may benefit from it in dealing with some of the drugs, many of which are manufactured in the United States.

Mr. Munro: There is always a very close liaison between the United States Food and Drug Administration and our Food and Drug Directorate.

NATIONAL SECURITY

REQUEST FOR TABLING OF ROYAL COMMISSION REPORT

Hon. Robert L. Stanfield (Leader of the Opposition): I would like to ask the Prime Minister a question. For some six months I have been trying to find out when he proposes to table the report of the commission on security. I have asked the question half a dozen times. Can the Prime Minister give us a definite date on which this report will be tabled?

Right Hon. P. E. Trudeau (Prime Minister): I cannot give a definite date but I hope hon. members will be able to study it during the summer recess, if not before.

Mr. Stanfield: Mr. Speaker, let us be serious. Does the Prime Minister not realize that this type of delay is creating a great deal of suspicion about this report in the public's mind?

Mr. Trudeau: No, Mr. Speaker.

INDUSTRY

DEVCO—COMPULSORY RETIREMENT OF MINERS

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a further question for the minister in respect of the Devco retirement plan. Can the minister tell us whether negotiations are still continuing with the railway unions affected under this plan?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, before answering the question, I rise on a point of privilege. A moment ago the hon. member indicated that I seemed to enjoy the fact that he didn't understand my answer.

You can be sure, Mr. Speaker, that I would still enjoy it more if he sometimes understood what I am saying.

Some hon. Members: Hear, hear.

Mr. Marchand (Langelier): Here is the answer: the negotiations started with railways employees and miners are completed and the plan applies to all Devco operations.

[*English*]

Mr. MacInnis: I rise on a point of order, Mr. Speaker. The minister said the plan is now official. This is not so because the Treasury Board will not give approval to it until tomorrow. So he is wrong in that regard. Futhermore, the previous misunderstanding arose from the language and not from my lack of understanding of what he was saying. I suggest the minister did not understand the situation because if I had not brought it to his attention he would not have known that the plan will not be official until tomorrow.

Ten o'clock, Mr. Speaker.

[*Translation*]

EDUCATION

FRENCH LANGUAGE NORMAL SCHOOL IN WESTERN PROVINCES

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I should like to put a question to the Secretary of State with regard to the possibility of setting up a French language normal school in the four western provinces.

Does the federal government have a policy through which the provinces might be helped to achieve that goal?

Mr. Speaker: I suggest to the hon. member and the minister that it might be interesting to discuss that matter at the time of adjournment.

Mr. Schreyer: Ten o'clock, Mr. Speaker.

[*English*]

FLOODS

SUPPLYING OF SANDBAGS BY E.M.O.

Mr. Craig Stewart (Marquette): Mr. Speaker, I should like to direct a question to the Minister of National Defence. In light of the statement of the premier of Saskatchewan that he did not know where the community of Lumsden could look for more sandbags after the use of those now being brought in, will the minister confirm that the Emergency Measures Organization has arranged for sufficient sandbags to meet the flood crises in Saskatchewan?

Hon. Léo Cadieux (Minister of National Defence): First of all, I do not think we have experienced any shortage yet. There was some anxiety about it, but we have located stocks of which use can be made if required.

• (3:20 p.m.)

GOVERNMENT ORDERS

CRIMINAL CODE

REPORT STAGE

The house proceeded to the consideration of Bill C-150, to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act, and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

[Mr. MacInnis (Cape Breton-East Richmond).]

Mr. Woolliams: On a point of order, Mr. Speaker. In view of the discussion which took place among the various leaders of the house I wonder if you would mind advising us what the decision of the Chair might be as far as the amendments are concerned, and in what manner we are to proceed?

Mr. Speaker: Since there is no agreement amongst hon. members, there is no alternative but to consider the amendments seriatim beginning with No. 1. Perhaps the Chair might indicate that, in my view, it would be reasonable not to have individual votes after the consideration of each amendment. My suggestion to hon. members would be that we might go through one series of amendments—I was thinking we might consider all the amendements up to the amendments dealing with abortion—and that the house might then be disposed to vote on all the amendments which have been accepted by the Chair and discussed by the house In other words, we would consider the several subjects concerned with the amendments extended from No. 1 to No. 11. This is my suggestion, and I hope hon. members will be prepared to accept it.

Mr. Lambert (Edmonton West): It appears to me, Mr. Speaker, from reading a number of these amendments, that they are of the same nature. I think—indeed, I know it to be a fact—that Your Honour is empowered by the rules to accept, reject, merge or consolidate any amendments put forward. There may be one or two amendments which Your Honour might consider to be altogether out of order. Perhaps the house could be guided by Your Honour's rulings.

Mr. Speaker: If it is the wish of the house, I might indicate to hon. members some of the amendments which at first blush appear to be out of order and on which the Chair would be prepared to hear argument. It might complicate discussion if, for example, we were to consider amendments 1 to 4 while some hon. members who might be interested in amendment No. 5, wait for that amendment to be called only to be told by the Chair that it is out of order and cannot be put to the house.

It might, therefore, be more convenient if hon. members were notified in advance whether or not an amendment, say, between Nos. 1 and 11 would actually be put to the house. If this suggestion is satisfactory to hon. members I would be prepared to indicate some of the amendments which in my view cannot be put to the house because they are not acceptable procedurally.

Some hon. Members: Agreed.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, at the beginning of the debate we objected to the proposal made by the government party because, in our humble opinion, it implied imposing some sort of closure or gag on the house.

Mr. Speaker, we want it known that we consider Bill C-150 of the greatest importance. That is why we should like, in all honesty, as parliamentarians, to participate actively in the debate, without holding up the work of course, but in an attempt to pass a law that meets as much as possible the wishes of the Canadian people.

Mr. Speaker, we therefore feel that it would be very wise for the house to make a logical and detailed study of this bill. It would also be advisable for the house to deal with each amendment on the order paper, according to the normal procedure at the report stage in committee.

We agree with the proposed vote groupings, but we want the house to know that we intend to study each amendment fully, to make sure that the act will correspond to the wishes of the Canadian people.

[*English*]

Mr. Woolliams: With the greatest respect to other hon. members who have spoken, I would recommend to the house that Your Honour's suggestion seems to constitute the only logical way in which we can proceed in the absence of unanimous consent. As other hon. members have pointed out, there are some amendments which are identical. If we proceed from subject to subject, surely the amendments which are in order could be decided at one time rather than by an individual vote on each of them. I hope the house will accept Your Honour's recommendation.

Mr. Knowles (Winnipeg North Centre): As I indicated earlier, we would have liked the house to agree to some orderly plan with regard to these amendments but if there is no consent it would appear that Your Honour has no option but to call the amendments in their numerical order.

However, I should like to support the two suggestions which Your Honour has made. One is that the voting, if there is to be voting, on any of the first 11 amendments might wait until we have finished dealing with those eleven. The other suggestion I wished to support was that Your Honour should tell us now which of the first 11 amendments you have questions about procedurally. Obviously, Your Honour does not wish to rule any amendments out of order before debate has taken place, if debate is desired, but I think it would be helpful if we knew at this point which of the first 11 amendments Your Honour has doubts about procedurally.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, I should like to indicate a few points likely to show the importance of studying all these amendments sensibly so as to avoid adopting them without due consideration.

All members, I suppose, have received yesterday a circular letter from the *Alliance pour la vie.*

Mr. Speaker: Order. I should like to remind the hon. member that he cannot discuss the substance of the amendments. The point is simply to advise the Chair on the interpretation of the rules. Besides, I can assure the hon. member that I am ready to make my ruling.

Under the rules the Chair has certain powers which I am ready to exercise. However, I am also ready to accept the suggestion of the hon. member for Winnipeg North Centre (Mr. Knowles) and to indicate which amendments are acceptable, from a procedural point of view among those listed from 1 to 11.

[*English*]

I would therefore suggest that in my view amendment No. 1 is not acceptable. In fact, it is clearly out of order.

[*Translation*]

In my opinion, the first amendment proposed by the hon. member for Abitibi (Mr. Laprise) is out of order. However, if he wants to show me that the amendment should be accepted, from a procedural point of view, I will hear his arguments.

[*English*]

Mr. Knowles (Winnipeg North Centre): On the point of order, Mr. Speaker, could you not first give us all the amendments from 1 to 11 about which Your Honour has doubts? After that we might go back to No. 1. I think it would be useful for us to know the whole picture.

• (3:30 p.m.)

Mr. Speaker: The amendments about which the Chair has doubts are No. 1 and No. 2. Nos. 3 and 4 I would be prepared to suggest to

hon. members should be combined. I have serious doubts about No. 5, though I should like to hear argument from hon. members on the point; No. 6, as Nos. 3 and 4, is barely acceptable; Nos. 7 and 8 are acceptable but would have to be combined; Nos. 9 and 10 are also acceptable but would have to be combined and considered at the same time; and No. 11 is quite in order. This is the suggestion I should like to make to hon. members at this time.

Dealing first with amendment No. 1:

[*Translation*]

I wish to point out to the hon. members that this amendment is not in order because it does not tend to amend a section of the act, as provided in paragraph (5) of standing order 75. It is rather a reasoned amendment which should normally be moved on second reading of the bill.

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have moved amendment No. 1 with a view to regrouping the different subject-matters of the committee report under the following headings:

(a) abortion,

(b) homosexuality and indecent assault,

(c) lottery and gaming—

and finally

(d) the remaining clauses of the bill.

We know that Bill C-150 contains certain clauses that are acceptable to some members. On the other hand, others are unacceptable.

Therefore, I moved this amendment not for my personal satisfaction, but at the request of certain public bodies which have expressed their opinions before the committee, during public demonstrations or by submitting petitions.

Among the public bodies which have requested that Bill C-150 be divided, there is the Association of Catholic Parents of Quebec, the Saint-Jean-Baptiste Society of Montreal—

Mr. Speaker: Order. I do not believe the representations the hon. member may have received from public bodies can be taken into account when we have to decide whether an amendment is in order or not under the standing orders of the house. I wish to point out to the hon. member the reasons why an amendment such as this one is, in my opinion, out of order and if he thinks I am mistaken on the strict point of view of the procedure, I should like him to tell me in what way I am wrong.

[Mr. Speaker.]

I recognize the goodwill of the hon. member and the fact that he moved the amendment with good intent. But on the other hand, I point out to him again that this is not the type of amendment that can be moved at this stage of a bill.

The hon. member believes the bill could have been divided. He will recognize that proposal was made before. If it were possible to comply with such a request, it could certainly not be done at this stage of the consideration of the bill.

Mr. Laprise: Mr. Speaker, I should like to conclude by saying that my ultimate objective in moving that amendment was to enable every member to vote as freely as possible on every one of the main subjects of Bill C-150.

Mr. André Fortin (Lotbinière): Mr. Speaker, several members of the Ralliement créditiste met this morning in order to determine the position to be taken with regard to item 1.

The argument put forward now was discussed this morning and we almost asked you respectfully to delete this item.

However, several of my colleagues pointed out that we were faced with a great number of amendments and that consequently the study might be quite long if we did not take some kind of step to save time, while allowing for a serious and thorough consideration of this bill.

Therefore, we have decided to retain the first proposed amendment in order to combine the subjects, which would make it possible to undertake a quick, orderly and logical study rather than a rambling one.

I recognize, Mr. Speaker, that my arguments are not of a legal or parliamentary nature. It is mere common sense which led us to believe that if we could combine these amendments or the clauses of the bill, in order to study them in a logical, clear and serious fashion, then I think that your job and ours would be made much easier.

[*English*]

Mr. Turner (Ottawa-Carleton): Mr. Speaker, as I understand it we are now speaking to the point of order that has been raised.

Mr. Speaker: I am wondering whether it is necessary for the Minister of Justice to enter the fray at this point. I think the point is quite clear. The hon. members themselves recognize and do not seriously propose that the amendment is acceptable from a strictly procedural standpoint. In view of this, I would be prepared to rule on it now or in a

few minutes' time. If the minister has arguments to convince me even further, then I will hear him.

Mr. Turner (Ottawa-Carleton): I was just wondering whether Your Honour had accepted the suggestion of the hon. member for Winnipeg North Centre (Mr. Knowles) that you hear argument on all clauses together, or whether we would proceed one by one.

Mr. Speaker: Order. I have accepted the suggestion of the hon. member for Winnipeg North Centre, (Mr. Knowles) but his suggestion was that we consider each one individually. This is what we are doing at the present time. I have heard argument on amendment No. 1, and I should like to make a ruling now. I am sure that this was the suggestion that was made both by the hon. member for Calgary North (Mr. Woolliams) and the hon. member for Winnipeg North Centre.

[*Translation*]

I therefore come to the conclusion that amendment No. 1 is a reasoned amendment, since it provides that the bill will not be read now.

According to our long standing practice, such an amendment can only be moved on second reading of a bill. The amendments which can be moved at the report stage of a bill are governed by the provisions of paragraph (5) of standing order 75 which reads as follows:

> If, not later than twenty-four hours prior to the consideration of a report stage, written notice is given of any motion to amend, delete, insert or restore any clause in a bill, it shall be printed on a notice paper.

For those reasons, the Chair must regretfully refuse to put to the house the amendment proposed by the hon. member.

The comments which I have just made to the house, I quite humbly point out, also apply to amendment No. 2. However once again, I would be pleased to hear some arguments strictly relating to procedure on the acceptability of the amendment concerned.

• (3:40 p.m.)

Mr. Gérard Laprise (Abitibi): Mr. Speaker, with regard to amendment No. 2, I shall try to proceed as you have suggested.

I have proposed this amendment in order to get the expression "act of gross indecency", as found in section 149 of the Criminal Code, clarified as much as possible.

Mr. Speaker, an amendment to the Criminal Code is introduced regarding acts of gross indecency, but neither the old section of the Code nor the new legislation give a clear definition of "gross indecency".

I think this is a vast subject. It could mean acts committed by two persons of the same sex in the presence of others, or by persons of different sexes who would expose themselves in public, on the street or anywhere.

Many other things could be considered as acts of gross indecency, which can take place between husband and wife. Indeed, some acts, although legal, become acts of gross indecency when committed in public.

Through this amendment to clause 7 of Bill C-150, I wanted to get the meaning of the expression "gross indecency" clarified and that is why I ask: That clause 7 be not read until the words "act of gross indecency", as found in section 149 of the Criminal Code be defined by the committee.

Mr. René Matte (Champlain): Mr. Speaker, further to what has just been said by the hon. member for Abitibi (Mr. Laprise), I should like to point out that when we want to discuss most objectively and advisedly the clauses of a bill, it is extremely important to know the value and the meaning of the expressions or words used.

This is precisely the purpose of that second amendment moved by the hon. member for Abitibi.

When there are complications with regard to procedure, they are due most often to the fact that the principle of the bill is more or less meaningful. Many difficulties could be eliminated if it were decided to delay consideration of these clauses in order to better study the bill. I should like to point out that not only do we not want to postpone consideration of the bill but that on the contrary we intend to expedite it. If clauses 14, 15 and 18 were immediately eliminated, we would be ready to vote today on the motion for third reading of Bill C-150.

Mr. Speaker: Once more, I must tell the hon. member for Champlain and his colleagues who took part in the debate that I am quite sympathetic to the arguments they have submitted to the chair. Nonetheless, the hon. members will recognize that I must abide by the rules and cannot, through sympathy or understanding, condone any violation. As regards amendment No. 2, the proposal clearly appears to be out of order, as was the case with amendment No. 1.

Amendment No. 2 is faulty in a similar way in that it constitutes a reasoned amendment or subjects to some condition discussion of clause 7 of Bill C-150.

The reasons which justified the inadmissibility of amendment No. 1 also apply to amendment No. 2.

[*English*]

We will now proceed to amendments numbered 3 and 4 which, in the humble view of the Chair, are acceptable. It is suggested, however, that both might be considered at the same time and if eventually there is a negative vote with respect to amendment No. 3, this would have the effect of being a negative vote with respect to amendment No. 4, which would then not be put to the house.

May we also now turn to amendment No. 5 about which the Chair has some doubts and about which hon. members may wish to advise the Chair.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker—

Mr. Speaker: Order, please. For the assistance of the hon. member, I might say that the difficulty facing the Chair relates to the fact the amendment appears to go beyond the provisions of the bill. That is why I was anxious to have the views of hon. members before deciding whether the amendment ought to be put to the house.

Mr. Stanley Knowles (Winnipeg North Centre): I thank you, sir, for indicating the area in which you question this amendment. I suspected that was where Your Honour had some doubts but, with respect, I should like to argue that the amendment deals with the same subject matter dealt with in clause 7 of the bill. I do not want to hurt a case we may present later, so I will refrain from identifying exactly what I have in mind. I know that later an amendment will be introduced from this corner of the house seeking to write into this bill legislation about a matter that has not been mentioned in this bill at all. I can see we shall be on thin ice in trying to argue that that is within the four corners of Bill C-150. I merely mention that because that strengthens our case with respect to amendment No. 5. Clause 7 of Bill C-150 deals with various sexual relationships, indecent and otherwise, and makes certain provisions and changes in the law in that area as it now is. The amendment proposed by my colleague from Broadview stays within that area. It redefines the law in one or two instances and makes changes with respect to penalties and the kinds of charges that can be laid. It deals with matters of summary conviction and with indictable offences.

Although your doubts are understandable, Mr. Speaker, I think it is possible to set them aside. In other words, it should be possible to convince Your Honour that the amendment proposed by my friend for Broadview is not foreign to the subject matter of clause 7 of Bill C-150. It is on that basis that I think Your Honour ought to allow it.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I, too, can understand your doubts and wish to encourage them.

Mr. Gilbert: Why?

Mr. Turner (Ottawa-Carleton): Because I suggest, sir, that the amendment introduced by the hon. member goes beyond the scope of the clause to which it relates. It is, therefore, inadmissible and ought to be struck. The purpose of the amendment introduced as No. 5, Mr. Speaker, is to make offences under section 147 which relates to buggery or bestiality, section 148 which relates to indecent assault on a male and section 149 which relates to acts of gross indecency punishable on indictment or by way of summary conviction. At present these three offences are punishable on indictment only and carry specified penalties. An offence under section 147 carries a maximum penalty of imprisonment of 14 years; an offence under section 148 carries a penalty of maximum imprisonment for 10 years and an offence under section 149 carries maximum imprisonment of 5 years. In other words, what the hon. member is attempting to do is to amend these sections so as to give the Crown an alternative way of proceeding. It may proceed either by way of indictment or by way of summary conviction.

• (3:50 p.m.)

The hon. member's amendment does not go to the substance of the offences. It specifies merely the procedure under which the Crown can proceed with regard to offences mentioned in these three related sections. The clause to which the amendment relates, clause 7, introduces new section 149A. New section 149A provides that two of the original sections, 147 and 149, shall not apply to any act committed in private between a husband or his wife or any two persons each of whom is 21 years or more of age, both of whom consent to the commission. What the clause in the bill strives to do is exempt from the

criminal law acts of gross indecency between consenting adults in private. In other words, it changes the substance of one particular offence under the criminal law.

The hon. member's amendment would not, I submit to Your Honour, affect the offence, relate to the conditions to be attached to the offence, relate to the fact that it should be in private or to the age of the persons concerned, nor relate to that factual situation at all. Instead it goes back to the original sections and says, we want the Crown to have an option to proceed—in a procedural way—either by way of indictment or summary proceeding.

I submit that brings into play a traditional rule of the house. It has not been affected by new Standing Order 75(5) or 75(8). They relate to the type of proceeding that can be adopted at the report stage. Subsection (5) reads:

> If, not later than twenty-four hours prior to the consideration of a report stage, written notice is given of any motion to amend, delete, insert or restore any clause in a bill, it shall be printed on a notice paper.

Subsection (8) reads:

> When the order of the day for the consideration of a report stage is called, any amendment of which notice has been given in accordance with section (5) of this order shall be open to debate and amendment.

In other words, we are not told anything about the relevancy or the scope of amendment. We have to assume with these new Standing Orders the traditional rules of admissibility apply. The question is, Your Honour, that under the rules of the house as interpreted by the precedents, no new amendment can be offered which is irrelevant or which goes beyond the scope of the bill or beyond the scope of the particular clause to which it relates. I believe this is made clear in citation 402(2) of Beauchesne's Fourth Edition, which reads:

> A new clause will not be entertained if it is beyond the scope of a bill, inconsistent with clauses agreed to by the Committee, or substantially the same as a clause previously negatived.

Citation 406 reads in part:

> Amendments are out of order if they are (a) irrelevant to the bill, or beyond its scope,—

These citations appear to be taken from May's Parliamentary Practice. For instance at page 549 of the seventeenth edition under the heading "Inadmissible Amendments" it is stated:

> An amendment is out of order if it is irrelevant to the subject matter or beyond the scope of the bill, or if it is irrelevant to the subject matter or beyond the scope of the clause under consideration.

I submit to Your Honour that this amendment does not attack the substance of the clause which it purports to amend. It does not relate to the offence itself. It goes beyond the scope of the clause to the original sections of the Code and suggests that those original sections ought to be opened up by allowing the Crown the option to proceed by way of indictment or summary proceeding. This bill is not a general revision or consolidation of the Criminal Code. It is not a completely new act or code. This omnibus bill relates to specific policy decisions relating to specific offences dealt with or amended in a specific way.

With the greatest respect I submit to Your Honour that the hon. gentleman's amendment goes beyond the scope of the clause which he attempts to affect.

Hon. Marcel Lambert (Edmonton West): My intervention will be very brief. I suggest the Minister of Justice (Mr. Turner) has missed the point. The amendment as proposed deals with clauses 147 and 149 because 149A as proposed is a delegation of penalties normally imposed under 147 and 149. The proposed amendment by the hon. member for Broadview (Mr. Gilbert) does not affect the determination of guilt but will change the form of proceeding to determine guilt and affix punishment. Therefore, there is relevancy. There is no new crime introduced. It is entirely relevant to clauses 147 and 149. I submit there is every reason to accept this amendment.

[*Translation*]

Mr. Fortin: Mr. Speaker, in our opinion, the amendment moved by the hon. member should be agreed to for certain reasons that I shall try to outline briefly.

We intend to amend sections 147, 148 and 149 of the Criminal Code, which bear on a particular subject.

Those sections, being difficult to enforce, give rise to many complications. It was said in a speech in the house that sections 147 and 149 of the Criminal Code had become inapplicable when acts were being committed in private between husband and wife or any two

consenting adults. Now, as the law was inapplicable, the intention was to strike out those provisions of the Criminal Code.

I find, Mr. Speaker, that the amendment proposed here, amendment No. 5, merely re-establishes the facts. I think it is consistent with Beauchesne's Fourth Edition, citation 357, on page 266 which reads as follows, and I quote:

> In the preparation of Bills amending existing enactments the amendments shall not ordinarily be made by clauses which add or leave out words or substitute words for others, but by clauses which re-enact the section, sub-section or other minor division, as it is amended.

And I think, Mr. Speaker, that this is consistent with parliamentary precedents, and that this amendment tends only to make more explicit the matter that is dealt with in clauses 147 and 149.

Mr. Speaker, we admit that the sections included in the Criminal Code were very difficult to apply. But, it is not by shortening them that we will make them more easy to apply. The sponsor of this motion thought there might be other means of making the law applicable and, in moving this motion he does not affect clauses 147 and 149.

Therefore, I think, Mr. Speaker, there is nothing new there, it is merely a repetition of what was formerly found in the Criminal Code. We are bringing absolutely nothing new, in terms of going further than clauses 147 and 149; we are simply making them more explicit, thus making them more easy to apply.

Mr. Speaker, I therefore believe that, for the reasons I have indicated, amendment No. 5 is acceptable.

• (4:00 p.m.)

[*English*]

Mr. John Gilbert (Broadview): Mr. Speaker, the nub of the argument by the Minister of Justice (Mr. Turner) is that the amendment is not one of substance but rather one of procedure. At times it is very difficult to distinguish between substance and procedure. What the government is doing in the proposed new section 149A is to change the gravity of the offence. It is saying that certain circumstances which otherwise would have amounted to the committal of an offence are now changed and will not be considered to amount to an offence. I have attempted to read into this amendment a procedure which bears heavily on the substantive part of the offence. There has been a lessening effect as a result of the proposed new section 149A. My amendment is an attempt to give it a vehicle whereby it can be taken care of, whereby it can be carried out.

Mr. Speaker: I am grateful to hon. members for their comments in connection with the amendment moved by the hon. member for Broadview (Mr. Gilbert). I think I should assure hon. members that during the last few hours these amendments have been studied very carefully by the Chair with the assistance of the Table Officers and the Parliamentary Counsel. In the light of the consideration I have given to this amendment previous to coming into the house, and of course in the light of the arguments advanced by the Minister of Justice (Mr. Turner), which were rather pertinent so far as I am concerned, I doubt very much if it is possible for the Chair to accept the amendment.

The hon. member for Edmonton West (Mr. Lambert), the hon. member for Winnipeg North Centre (Mr. Knowles) and others who have spoken in support of their point of view, have put forth an interesting argument as to whether this proposed amendment does go beyond the provisions of the bill, but I must come to the conclusion that it does, and that the citations referred to by the Minister of Justice are applicable.

Clause 7 on page 24 of Bill C-150 will provide certain exceptions to the law as stated in sections 147 and 149 of the Criminal Code. The purport of the amendment is to delete the exceptions provided for in clause 7 of Bill C-150 and to rewrite substantially sections 147, 148 and 149 of the Criminal Code itself. In other words, amendment No. 5 is a new legislative proposal in my very humble view. I hesitate to say this, having heard the strong arguments made by hon. members which perhaps cast a bit of doubt in my mind, but not to the extent that I can change my decision. I do feel that amendment No. 5 is a new legislative proposal and does introduce matters of substance which are not covered in Bill C-150 now before the house.

The minister has referred to citations 402 and 408 of Beauchesne. I think I can also refer hon. members to citation 203(1):

> It is an imperative rule that every amendment must be relevant to the question on which the amendment is proposed.

Again, citation 406 of the same authority, Beauchesne's Fourth Edition, reads:

> Amendments are out of order if they are
> (a) irrelevant to the bill, or beyond its scope—

I should add that in considering these amendments I have made, and will make, an effort to be lenient. My consideration of the amendments will not be made with a view to ruling them out of order but rather to accepting them if, from a procedural standpoint, in the humble opinion of the Chair they can be accepted. But even with all possible leniency, I do not think I can accept this particular amendment, and I suggest with respect and humility to hon. members that it should not be put at this time.

My earlier suggestion was that all other amendments appeared to be in order. I understand the hon. member for Winnipeg North Centre had some doubts as to whether amendments Nos. 9 and 10 ought to be combined. I would not like to be difficult about this.

In view of what I said a moment ago that I would like to lean in favour of accepting these amendments, and to facilitate the discussion in the house, I would be prepared to recognize that perhaps there should be individual discussion on 9 and 10 and that a negative vote on 9 would not necessarily negative proposed amendment No. 10. I hope this satisfies the hon. member for Winnipeg North Centre that I do intend to be lenient in considering the proposed amendments.

Mr. Knowles (Winnipeg North Centre): It not only satisfies me, and pleases me, but it saves the house a half hour's speech.

Mr. Speaker: We will therefore return to amendment No. 3 for consideration of the house.

Mr. Woolliams (for Mr. Valade) moved:

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting therefrom clause 7.

He said: Mr. Speaker, on rising to speak on this first amendment, I hope I can get your agreement that some of these amendments are vrey closely related. I do not want to make two or three speeches on each individual one. I want to expedite the matter and have the votes taken. For example, before I start my argument on amendment No. 3, I point out that amendment No. 7 is inter-related, and with your consent I might be able to discuss both phases of the matter and therefore not have to make two speeches.

I now wish to deal with the reasons I think clause 7 should be deleted and, if not deleted, why the words "except as to bestiality and carnal copulation with a beast" should be added. I know what the position of the Minister of Justice (Mr. Turner) is. He does not think that the proposed new section can be interpreted in that manner, but first I want to read what Professor Mewett said in reference to Section 149 (clause 7) as recorded at page 341 of the minutes of the Justice and Legal Affairs Committee, volume 10, of March 13:

Mr. Chairman, as far as proposed Section 149A of clause 7 of the act, which appears on page 24, is concerned, I do not think there has been a prosecution in Canada for buggery between consenting adults in private since the revision in 1953.

In that regard, I think the professor is right. What he is really saying is that if we did not have this permission *de jure* we had it *de facto* because two consenting adults, or two people who are married, are not going to go out and report what they do in private to the law officers. Professor Mewett continued:

My view is that it is desirable that the Criminal Code conform with actual practice and therefore, generally speaking, I am in favour of clause 7.

Now, I come to grips with the reason I say this clause should be deleted, or at least if not deleted that these words should be added, "except as to bestiality and carnal copulation with a beast."

• (4:10 p.m.)

Let me quote from Crankshaw's Criminal Code of Canada, seventh edition, 1959 at page 208, section 147:

Buggery or Bestiality. Every one who commits buggery or bestiality is guilty of an indictable offence and is liable to imprisonment for fourteen years.

The footnote summarizes the cases in this regard. It states that buggery is also called sodomy and is the carnal copulation against nature by human beings with each other or with a beast. In other words, as I said this morning at another meeting, if you are dealing with a beast it might involve an abnormal person having relations with a beast in a normal fashion, or it might involve an abnormal person dealing abnormally with a beast.

Professor Mewett puts it very well. The Minister of Justice suggests we cannot adopt this interpretation, but if there is any doubt about this section it should be clarified. If the Minister of Justice does not want to legalize sexual intercourse in this country between human beings and beasts, I would

think with the greatest respect he should clarify the law. Surely, this always involves a matter of opinion. The law is an inexact science and that is why we have so many court decisions. One has only to read the Supreme Court of Canada reports to realize that a decision made on the basis of certain facts on Monday may well be reversed on the following Tuesday or a Tuesday a year later. The second decision may be a reversal of the first, yet based on the same or similar facts as a result of a further distinction or a revision of the interpretation.

Surely, the Minister of Justice does not write off the words of Professor Mewett, who is the head of the Criminal law section of the University of Toronto. The minister graduated from McGill, but I think even those students of McGill have some respect for the University of Toronto. This is what the professor says:

> There is only one point I would like to raise, and it is a legal point. It is factually impossible for two consenting adults to commit bestiality and Clause 7 purports to say that Section 147—that is, everyone who commits bestiality—does not apply to any act committed in private between a husband and wife or any two persons. I am not quite sure what that means but in my opinion, Mr. Chairman, it does not mean anything. As it stands I think it would mean that if one person committed a sexual act with his dog he would be guilty of an indictable offence and liable to imprisonment for 14 years. If two people did it they would not be guilty of any offence.

In other words, what the professor says is that if two people were in the room or an atmosphere of privacy and one held the animal while the other committed the act, they would be homefree under Section 149. Why do I say that? Under Section 147, everyone who commits buggery or bestiality is guilty of an indictable offense. Why does the minister suggest in the new Section 149-A that Section 147 does not apply to such an act committed in privacy? Section 147 does not deal with homosexuality between males, gross indecency between males and females or acts between females, it deals with buggery and bestiality.

I read somewhere recently that someone was worried about this situation in that you could not have bestiality between two consenting adults. What we must look at in this section is the fact that the act is not defined. It does not state that this must be an act between adults. This involves an act or pantomime in private. This is what Professor Mewett suggests. I should like to emphasize this point because this whole matter to me is disgusting.

I am not pointing the finger at the minister so far as his philosophy is concerned. I gathered from what he said at the committee he did not want to legalize this practice. He said it was beyond him what the professor was thinking about, and that may be so, but I suggest to him with the greatest respect that the professor might be right. I do not say he is right but he could be right. God help us if the minister is wrong. These laws require clarification.

Surely, this parliament of Canada, which governs a Christian nation, is not going to legalize sexual intercourse between two consenting adults and an animal. Apparently if two people do this they are not guilty of any offence, but if three do it or one does it these individuals would be liable to 14 years imprisonment. Surely, we are entitled to an appropriate amendment clarifying this law. If the minister does not want to legalize this type of thing why does he not say so, particularly in respect of bestiality and carnal copulation with a beast?

Crankshaw was a greater expert than either the minister or myself, and he distinguished between these words. Surely, the minister cannot, in seriousness, want anything but clarification in this regard. Many people in this country have indicated a complete lack of understanding in respect of homosexuality. I have always taken the position that we should not deal with homosexuality in the Criminal Code. This should be dealt with as a sickness or an ailment. It should be treated from a psychological or physical point of view by psychiatrists or doctors, but even they do not agree. Psychiatrists suggest that homosexuality is the result of environment. I have read many books on the subject and I suggest that what we are attempting to do here is legalize acts between two consenting adults over 21 years of age, a man and wife, indecent or homosexual, providing they are carried out in private.

What Professor Mewett suggests is that this measure may legalize the right of two consenting adults over 21 to have sexual relations with an animal in private.

Mr. Flemming: They are making it respectable, that is what they are doing.

Mr. Woolliams: Yes, I agree with you. Clause 7 of the new bill states that Section 147 does not apply to any act committed in private. If this does not apply to bestiality or buggery, why is there any reference to Section 147? There is nothing in Section 147 that

applies to human beings except in respect of buggery. The definition of buggery is the same as that in respect of sodomy, that is carnal copulation against nature by human beings. This refers to buggery or bestiality. The section covers bestiality but this is exempt because it suggests that Section 147 dealing with bestiality does not apply to any act committed between a husband and wife or two individuals of age in private.

During my experience as a trial lawyer I remember a case involving a husband who insisted that his wife have sexual relations with an animal. I have become aware of this kind of environment in this nation. I am aware of cases of bestiality involving one adult and an animal. Section 147 which refers to bestiality will not apply to any act committed by a husband and wife in privacy. It will not apply to acts committed by two adults over 21, providing there is consent.

Let me suggest to the minister that the professor of a leading university in this country would not appear before the Committee on Justice and Legal Affairs to utter complete nonsense. This professor appeared with a background of experience and knowledge. I asked for this witness following some argument as to whether the committee should call witnesses. This witness, with his knowledge of criminal jurisprudence, said clearly and squarely that this clause would legalize sexual relations in some form or another with an animal providing it was committed by two consenting adults over 21. In my opinion that is absolutely wrong.

• (4:20 p.m.)

I ask the minister to reconsider his position in this respect. I know that he has legal advisers in the Department of Justice, but they can be wrong. I say this with no disrespect to the officers of the Department of Justice, because at one time there were more lawyers in the department from the university from which I graduated than from any other university in Canada. Therefore, naturally I have respect for them and their opinions. But the officers of the Department of Justice are not infallible. In how many cases throughout this land have they said one thing and the courts have said they are wrong? They are only giving legal opinions. Just because the Department of Justice has given its opinion, it does not mean that is right. The officers of the department have no divine right to be correct in their interpretation of the law.

I have had confrontations with the Department of Justice. I do not want to deal with those, but as an illustration I will mention one case. In the case to which I refer, the judge happened to agree with me. The Department of Justice laid a charge against the breweries under the Combines Investigation Act. The Department of Justice said they had a case. When they got to court, what kind of case did they have? In this instance, the provinces set the price of beer at 10 cents or 20 cents a glass. The case of the department was laughed right out of court. Mr. Robinette, Q.C. was on that case, as my hon. friend knows.

Therefore, because the Department of Justice tells the minister there is nothing wrong with this clause, I do not stand in awe of their opinion; and multiplicity of the same opinion is still the same opinion. I ask the minister to consider this question in the light of what the professor said and in the light of my argument. I want to summarize what I have said. Section 147 deals with bestiality. Proposed section 149A provides:

> Sections 147 and 149 do not apply to any act committed in private between
>
> (a) a husband and his wife, or
>
> (b) any two persons, each of whom is twenty-one years or more of age,
>
> both of whom consent to the commission of the act.

My hon. friend has forgotten one thing. He thinks that the act we are talking about is a pantomime between the people concerned. The section does not say that. The act could be conducted, not with a third person but with a third ingredient, namely, an animal—two people twenty-one years of age, and an animal. It is very important that the minister understands this. This is my understanding of the act. I think I have made my point, Mr. Speaker and I shall not say any more as far as that matter is concerned.

I hope the minister will take notice of the argument which I have been able to present in the House of Commons and was not able to present in the same fashion in the committee. I have been able to weigh what was said in the committee, because we have a record of the proceedings of the committee. This is why we have committees. It is no new, great thing to have a standing committee study a bill clause by clause; we have been doing this ever since parliament was created after confederation. The only thing we have done away with is clause by clause study of a bill in committee of the whole house.

Therefore, when it is said that the new rules are great and we have reached heaven in this regard, I point out that we have always had this heaven in respect of clause by clause study of bills. The hon. member for Crowfoot (Mr. Horner) was the main spokesman of our party in respect of the transportation bill. That was before the new rules came into effect. So, when we study a bill clause by clause we are only doing what traditionally has been done by parliament for a very long time. In view of this, we should not hear any more nonsense about how these great, new rules are working out. The rule with regard to the clause by clause study of amendments may be good. I do not write it off. We must wait and see how it works out.

If the minister stands up after I have finished and says he will not accept my argument because of the beautiful argument put forward by his advisers, I am finished; but under the old rules I could have risen again and spoken. I would have done so, because I do not want to have this kind of debauchery in our nation. I think there is a place for a filibuster. If people tell me to get out on with the job, I will say to them, "Do you want me to legalize sexual intercourse with the animals of Canada?" I am prepared, if I can find any rule which will enable me to do so, to stay here and debate this question for days, because this provision is against my Christian faith and the Christian faith of this nation.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wish to speak on amendment No. 3, since I have myself presented an amendment bearing No. 4, which is exactly similar to the one the hon. member for Calgary North (Mr. Woolliams) has just discussed.

I do not have a great deal to add to what he has just said and I am entirely in agreement with what he said regarding clause 7 of Bill C-150.

If I have myself proposed an amendment to delete clause 7, relating to clause 149A of the Criminal Code, it is in order to leave unchanged the Criminal Code.

Mr. Speaker, since the government proposed to amend the Criminal Code regarding acts of gross indecency, we have forgotten to clear up the question of the legislation on homosexuality. There has been much talk, perhaps too much, in the public in that respect. Authorized agencies perhaps have also talked too much.

I have on hand an article dealing with the question. As a matter of fact it brings up this matter and states that too much importance is being given to the act committed between two consenting adults.

In this article, one will find information which is quite remarkable and exact. I wish to put it in the official report so that all those who take the trouble to read it will be aware of that viewpoint.

• (4:30 p.m.)

I am referring to an article published in the magazine *L'Equipe*, which reads as follows:

> The bill designed to legalize homosexuality will long be talked about. It would be unfortunate if parliament were to pass this piece of legislation in its present form.

I feel that some members have realized its importance as we are now discussing amendments to Bill C-150 with regard to clause 7. The article goes on:

> Because of the publicity given to this matter, a large number of uninformed people are under the impression that homosexuality is a normal thing, while in fact, it is a form of sexual perversion. The bill does not say this; yet, everyone should be aware of the fact. When a similar measure was adopted in England, they had the courage at least to tell the truth about this evil that is homosexuality.
>
> Here, we heard men and women say on the air that they are in favour of the legislation because they themselves practise that kind of perversion to which they find nothing abnormal; they are sick but unaware of it.

At this point, Mr. Speaker, I would like to remark that our national broadcasting corporation, the C.B.C., has given much importance to that problem and has allowed sexual perverts to express themselves freely and sometimes in an arrogant manner on the air. Canadians pay taxes to hear too many such programs which they dislike. I go on reading:

> It is universally acknowledged by doctors and psychiatrists that such a perversion is often curable; but if people are led to believe that it is a normal state of life, it is to be feared that far from improving, the situation will get worse. If experts concur in saying that it is a disease or an abnormal psychological state, it is unthinkable that under the pretext of "freedom", such a sexual perversion is allowed to spread, because freedom, when it is well understood, implies the respect of the liberty of others. Human nature being what it is, we see with dismay partisans of that practice leading others astray, because people engaged in such practices are usually indifferent towards those of the other sex, when they do not hate them. And that is what is going to be legalized? Will there be an end to that?

Mr. Speaker, a few years ago, one such sexual pervert assaulted boys who objected to

such perversions and he killed them. He murdered them to satisfy his lust. Such things occur too often, Mr. Speaker. Such sexual perverts are not satisfied with meeting other perverts; too often they try by every astute means available to pervert boys and sometimes, they kill or pervert. By legalizing homosexuality, such sexual perverts are given full liberty.

And the article goes on:

> Granted, the sick in that category are not all criminals, even if a great number of them should be behind bars because of the scandal they cause; but instead of trying to legalize an abnormal situation, we should adopt legal measures to reduce the number of those sick people through appropriate treatment.

Mr. Speaker, I think that instead of legalizing an existing situation, the duty of the government should be to protect those individuals by treating their sickness like that of any other sick person.

In Canada, we have managed to control tuberculosis. With the appropriate means, we can control homosexuality, since we recognize and admit that it is a sickness.

> The formation of citizens worthy of the name raises enough problems as it is, without adding a new one which will contribute to ruin lives for ever.
>
> Surely our sex-oriented movies do enough damage as it is.
>
> Saint Paul's warning in his Epistle to the Romans should make all Christians stop and think; speaking of the pagan's moral conception as regards the creation, Saint Paul writes:
>
> "For this cause God gave them up unto vile affections: for even their women did change the natural use into that which is against nature; and likewise also the men, leaving the natural use of the woman, burned in their lust one toward another; men with men working that which is unseemly, and receiving in themselves that recompence of their error which was meet."
>
> It is high time we tried to give a new value to the role of man, as well as of woman, rather than adopt "legal" measures that tend to degrade it. It would be much more beneficial to educate men so as to make them more manly, and women to make them more feminine; they would be the first to benefit from it and society would be much more healthy. Otherwise, we are going straight towards revolution, if not decay.

Mr. Speaker, this article I wanted to put on record deserves all our attention, because it explains clearly what the Minister of Justice (Mr. Turner) and the government want to do by proposing to legalize homosexuality.

Mr. Speaker, there is another point I want to make concerning subclause 1 of clause 7, to be added to section 149A of the Criminal Code, where it says:

> —between any two persons, each of whom is twenty-one years or more of age,

Well, Mr. Speaker, I want to point out to the house that if this amendment is accepted as proposed by the government, there will be many difficulties in applying this act, namely in trying to determine the age of persons of about 21.

I am not too familiar with liquor laws in other provinces, but in Quebec people under 21 are not allowed in beverage rooms. We can imagine, Mr. Speaker how difficult it is to apply in the province of Quebec, any law where age is involved in view of the fact that young people have no identification cards. The same problem would be created by this amendment to the Criminal Code, namely to determine the age of young people involved.

Now, why should it be normal or moral for young people of 21 or more to commit such acts whereas those very acts would be immoral for those of 18, 19 or 20, who would not be allowed to commit them? The latter would be entitled to wonder about it. And the younger who are sexually ill or perverted would resort to all sorts of tricks to take advantage of the provisions of the act.

I remember a young boy who had been admonished rather brutally by his father for swearing. Then the child asked his father: When shall I be old enough to have a right to swear like you dad?

The young people might be prompted to ask themselves the same question concerning homosexuality and they might think: when we are 21 we shall be able to do what our elders have now a right to do.

I feel therefore, Mr. Speaker, that the house should reject clause 7 of Bill C-150, even if the sexual problem in Canada must be fully looked into.

[*English*]

Mr. Ralph Stewart (Cochrane): Mr. Speaker, I just want to make a very short argument in reply to my friend, the hon. member for Calgary North (Mr. Woolliams). Certainly, I am no expert in the interpretation of the law as is my friend, the hon. member for Calgary North. However, I think I can argue this without reference to legal terms, strictly on the basis of the English language.

• (4:40 p.m.)

In the section to which the hon. member was referring, 149 (a), the word "between" is used, and in the English language "between" denotes two ingredients, to adopt the word he used, not three or more. If it were a question of three of more, or if there were a question of an animal being involved with two consenting adults, the word "among" would be used. I do not think the hon. member's arguments that this can be considered to legalize two consenting adults committing acts with a beast is one which holds water.

The hon. member for Calgary North is putting forward amendment No. 7. He is also sponsoring the amendment put forth by the hon. member for Sainte-Marie (Mr. Valade). This indicates to me that he is in favour of either one or the other, or of both, and that should his own amendment fail he would be ready to argue that we should remove clause 7 completely as suggested by the hon. member for Sainte-Marie.

He told us that when he speaks to his constituents he wants to be able to tell them that he opposed this clause because of his Christian upbringing. I should like to ask him whether he would also oppose such other things as we find in paragraph (a) which speaks about acts committed between a husband and his wife. Would he destroy the whole clause and thereby retain as a crime acts committed between husband and wife which are accepted by sociologists, doctors and the informed public in general as perfectly normal parts of conjugal love between a husband and his wife? I think the hon. member for Calgary North, in putting forth these arguments, does so with tongue in cheek.

I should like to make one comment regarding homosexuality. The hon. member for Abitibi (Mr. Laprise) spoke at length against any action which would have the effect of taking homosexuality out of the realm of crime. I must say his arguments are not very convincing. One can hardly compare the habit of blaspheming with homosexual acts.

Homosexuality is considered by some people to be abnormal, but among those who are homosexual it is considered normal for them. If these people wish to carry on certain acts in private without bothering anyone else I do not think it is up to us as legislators to try to keep those acts within the realm of crime, thereby causing all kinds of other problems in the sociological make-up of this country.

[Mr. Stewart (Cochrane).]

[*Translation*]

Hon. Martial Asselin (Charlevoix): My remarks, Mr. Speaker, will be very brief.

I should like simply to point out some essential reasons, in my opinion, for striking out, clause 7 of Bill C-150.

We have been wondering, Mr. Speaker, for the past few years in what direction the present government was heading for. In 1965, capital punishment was abolished. And when our friends argue that by trying to have Bill C-150 adopted they are reflecting the views of the Canadian people, since they were elected last June, I suggest they are wrong because the election campaign was not centered on the omnibus bill but rather on "trudeaumania."

Therefore, when Liberal members say they have received a clear, specific mandate from the Canadian people who are entitled to request parliament to adopt Bill C-150, I say they are wrong.

When capital punishment was abolished, it was supposed to be an improvement. But if you look at statistics, Mr. Speaker, you will see that since the abolishment of capital punishment, the number of crimes in the province of Quebec has increased by at least 20 per cent.

There are good things in Bill C-150, but if the minister thinks the passage of clause 7 of this bill will reduce the number of homosexuals, I tell him he is wrong.

The minister says he is not concerned with the morality of certain crimes. May I remind him that the government is responsible for making laws for the people as a whole and not only to protect a small group within society which, unfortunately—it has been said more than once—commits acts which are abnormal. I suggest that by trying to have this bill passed, he is showing a negative approach to the problem and refuses to face up to it.

If such people are abnormal, as the minister and some government members claim, let us find more effective ways and preventive measures to help them.

I practised law for 19 years, Mr. Speaker, and in my office I met some of those people who were suffering from the ailment known as homosexuality. The only thing we do for those people is to forbid them to practise homosexuality.

The government has never taken any preventive or remedial measure to try to help them out of the situation in which they have wallowed for several years.

Yet, alcoholics can be treated, as can the mentally ill.

When I am told that homosexuality is to be legalized because homosexuals are abnormal or ill, I say that the government is remiss in its duty when it opens the door wide without first trying to protect society in general.

The first duty of the government is to protect the citizens. With regard to legalizing homosexuality, I remind the government that when legislating outside of natural laws, one errs most of the time. With his experience, the minister has surely been aware of this for a long time.

We are told that this applies to consenting adults, to majors. It is illogical to refer to persons of 21 years of age or more. And why not to persons of 20 years of age? Or 19 years of age? Or even 17, who are also mature? Why limit it to people of 21 years?

Let us see how illogical this measure is.

The bill says: "Between any two persons, each of whom is 21 years or more of age". What has majority got to do with it? As if persons of 18 or 19 were not as mature, in some cases, as those of 21. I do not understand it. It is said here: "between two consenting adults."

The minister knows quite well that, in general, homosexuals do not wait until they are attracted by persons of age. They are rather interested in youngsters. The minister will tell us that to attack youngsters would be a crime.

The minister knows quite well that those people now considered as criminals under the law if they attack youngsters will not stop there if they are permitted to make love with consenting males of 21.

• (4:50 p.m.)

It is actually said: "Between consenting males of 21". I say that the minister opens the door wide and that it may be dangerous.

Those people will find all sorts of pretexts to be able to pick up, youngsters to try and relieve themselves, and this is exactly what homosexuals are looking for: It is not, then, to make love with persons of age which is important. The minister knows it. This does not interest them much.

I know it by experience also, as a lawyer, because I have not often seen persons of age who like to indulge in homosexual acts. Homosexuals are mostly inclined to pervert youngsters and the minister opens the door even wider.

The minister will say that they will be punished. The police will not be very much interested in chasing homosexuals after the passage of this legislation. They will be left free to do as they please. So the following consequences shall ensue. Instead of voting legislation to help homosexuals cure themselves since they are really sick, the way is cleared for them to act more freely. They are told that what they are doing is legal without any restrictions, except of course where young people are concerned. This will not prevent the 21 year-old homosexuals to covet them.

The government is making a mistake when it claims that it helps these people. It shirks its duty because the first obligation of a government is to legislate in order to protect society as a whole.

If there are people on the borderline, sick human beings, they should be cured and helped. Government must pass legislation, have clinics and make grants to associations which will be able to cure such people. There is no mention of that in the legislation. The minister will say that such a matter falls under the jurisdiction of the provinces. Nothing is said about action to be taken, grants to be made to the provinces so that facilities for treatment may be provided for homosexuals. This legislation is simply negative.

Instead of facing the problem, the minister simply closed his eyes and said: We shall choose the easiest way, we shall legalize the law and we shall not hear anything more about homosexuality.

The same thing will happen as when capital punishment was abolished in 1965. We witness today in the province of Quebec and in the others a large increase in crime.

Even if we talked for days and days, I feel that it would not make much difference. The government has made up its mind and my hon. friend the Minister of National Revenue (Mr. Côté)—who tells me not to get angry—knows quite well that if he were on our side and could vote freely, he would be the first one to vote against the legislation to legalize homosexuality and abortion.

We at least can vote freely on those questions. We can vote freely but the minister and the members of the Liberal party have been instructed to support the bill blindly and at any cost without any regard for their conscience, their philosophy or their background. At least, our leader has allowed us to vote according our conscience and I thank him publicly.

Needless to say, Mr. Speaker, that I approve the amendment moved by the hon. member for Sainte-Marie (Mr. Valade) and the hon. member for Abitibi (Mr. Laprise). I think that as the result of our few comments, the minister could with his legal advisers think that the arguments which we have put forward are logical and sensible enough and that perhaps he could this evening or tomorrow tell us that he is withdrawing clause 7 concerning the legalization of homosexuality.

Mr. Lambert (Edmonton West): In the first place, Mr. Speaker, I would like to say that I unreservedly support the comments of my colleague from Charlevoix (Mr. Asselin).

[*English*]

First of all, I should like to say I find it passing strange that these proposals with regard to sections 147 to 149 are put before this house on the basis that parliament has no business in the bedrooms of the nation; that it has no business entering the private lives of people to this extent. While there is no acceptance of the morality of such acts, presumably society does not have to be protected against them.

As my colleague has just said, the law exists for the protection of society. If you go through the Code from beginning to end, Mr. Speaker, every offence therein enumerated is made punishable for the protection of society. Each of the offences carries with it the connotation of a transgression of morality. Take, for example, the provisions dealing with theft. Is the minister saying that there is less morality involved in cases of theft than in cases of sexual aberration such as provided for in sections 147 to 149?

Why is there no provision in the bill to remove attempted suicide from the list of offences? If a person takes an overdose of sleeping pills or something in private, how does that affect any other person? There is no scandal involved; it is an act done in private. Yet society must be protected against such cases. In other words, this particular airy-fairy conduct is singled out.

Mr. Dinsdale: You have the right word there.

Mr. Lambert (Edmonton West): Yes, and we can apply a lot of other terms to it. Both of the practices dealt with here are repugnant to me, yet it seems to me we are giving them approval in that we are removing the sanction of law. I would like to ask the members of this house who are practising lawyers whether they have had any cases of bestiality.

• (5:00 p.m.)

Mr. Otto: How does that injure society?

Mr. Lambert (Edmonton West): I do not know why the minister insists that the exceptions here will not affect the act of bestiality. Yet an act of bestiality committed in private is still an offence. Will the pig squeal? Will the dog bark? One may ask, how will the public be scandalized? Yet, the act is deemed criminal. I agree with my colleague for Calgary North (Mr. Woolliams) that the way the exception is created means that two persons can participate in an act of bestiality and get off scotfree if they are over 21 years of age. That is what will happen according to the amendments proposed with regard to section 149 of the act. Frankly, I find it impossible to follow the thinking in this regard. I have searched my mind for any rationale as to why this was put in. If it is right to remove the legal sanction from acts of homosexuality between consenting adults, and I shall have something to say about the artificial division at the age of 21, and from certain acts as between husband and wife, why do we not remove a whole gamut of offences, including attempted suicide and other acts involving an individual only and no other human.

These acts still carry a moral sanction. Will anyone tell me why it is that if two persons aged 20 years and 11 months commit a certain act it shall be a crime but if they commit it one month later it shall not be a crime? To me, that is completely illogical. I ask the minister, since we are concerned with the protection of society, has he ever been involved at the high school level with incipient homosexuality? This is where it starts. This is the functioning of nature. You become aware of a ring of persons engaged in unnatural conduct. It may take place among girls, and I have known of that, or among boys. You tell them that not only is it morally wrong, but it is against the law. Morality is equated with law in the minds of those young people. But now they will come back and say, "Yes, but when we are 21 we can do it and it will no longer be immoral or illegal."

Mr. Woolliams: That's like the liquor laws.

Mr. Lambert (Edmonton West): Mr. Speaker, this house is being asked to amend the Criminal Code in this sense. What are we doing, Mr. Speaker? Are we basing our law

on certain legislative amendments which have been introduced into the law of the United Kingdom where this subject is treated in a manner suggesting that anybody can carry out any form of conduct? But show me a country that is sicker at heart and sicker at soul than is Britain today. I have known the Britain of many years ago and my heart bleeds at the moves and attitudes of so many people of that country today. If you go back in history you will see that the same line of conduct has brought down nations.

We must accept degrees of morality and adhere to them. We are not entering an area of permissiveness, Mr. Speaker. No, this is licentiousness. This is not merely a permissive morality that is being introduced. This is open licence.

Mr. Woolliams: It is licentiousness.

Mr. Lambert (Edmonton West): Yes, licentiousness. I should like to return again to this proposal to set up some sort of age qualification with regard to certain conduct. Do we say we are not concerned about morals and that we are going to remove legal sanctions against immoral conduct? Will anyone tell me that breaking and entering is not immoral or that any number of other acts are not immoral? Yet we are told in this legislation that while certain acts may be immoral they will not be illegal. In this day and age it seems that if you say certain conduct is not illegal, the concept of immorality goes through the window.

In the light of this, can the minister tell me how he can justify retaining the provisions in the Code against attempted suicide—not that I am an advocate of not punishing a person who attempts to commit suicide. I think it is an immoral act. Oh yes, it is immoral for a person who, shall we say, is in charge of his faculties to attempt suicide. I do not think that you, Mr. Speaker, as an individual have the moral right to take your life. You have no right to cast aside your life. You, as a sane and rational individual, may feel you have that right, yet there is a legal sanction against attempted suicide. So, I heartily approve of the amendment which would delete clause 7 of the bill and restore and maintain the law with regard to bestiality and homosexuality.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, I must confess I am a little ashamed to talk about that problem in this house, in such dignified surroundings. When I say this, I express the opinion of the great majority of my constituents.

It is almost scandalous to see that the representatives of the people must presently discuss those matters. There is a tremendous difference between the proposed legislation and public opinion, at least as far as Quebec is concerned. The difference is so big, Mr. Speaker, that I even asked myself the following question: How can it be explained? What representations prompted the inclusion of clause 7 in the bill? Who wanted it?

I think our function is to make laws that are justified and justifiable, that the majority of the population really needs, and for which there are numerous representations. It is then the moment to legislate.

We did not legislate about satellites in 1900 because it was out of the question. I believe that at the present time most people are not in favour of legalizing homosexuality. That is why many representations are made to legalize it.

I can prove my point, Mr. Speaker. In question No. 789 that I put on the order paper, I asked—because I am opposed to such things—what prompted such a move. I am personally against it. Most people in my riding agree with me. But elsewhere in Canada, some are perhaps in favour of it. I was wondering about that and I put the following question on the order paper:

1. Are any organizations exerting pressure upon the government to promote adoption of the omnibus bill?

2. If so, what are the names of these organizations?

3. On which of the three points, homosexuality . . . abortion—

What did the minister reply? The reply to the first part of the question was to the effect that no organization was pushing on for the passing of this bill. Then, why such a bill?

I am wondering whether in all the literature we have been receiving since September, homosexuality and abortion were not the targets of most representations. Save for a few exceptions, nobody was in favour of passing this bill. It may also be asked whether such pressure was not exerted behind closed doors.

We have noticed with some pleasure this afternoon, Mr. Speaker, that members of the Conservative party shared our viewpoint, and I wish to congratulate in particular the two previous speakers. If they were voicing the opinion of the majority in their party, and I think that all Quebec M.P.'s, including those

on the government side, are against this clause, like the great majority of the population, I do believe—and I hope so because of my optimistic nature—that the house could vote for this amendment.

• (5:10 p.m.)

I cannot quite see how a member, in particular a Quebec member—I do not know what the situation is in other provinces—could vote against this amendment.

I am optimistic to a certain extent, and I hope that finally the light will dawn and that our role, the role of the house and the role of the government, will not be debased by the sponsoring of pieces of legislation which nobody wants.

Mr. Speaker, many arguments would warrant rejection of this amendment. Several have already been put forward and I shall point out the most interesting ones.

It has been said—and I agree with it myself—that this section will absolutely not check the expansion of that dreadful plague.

Mr. Speaker, if you read the history of certain countries, you realize that those who have accepted such depravity have been brought down, as if by mere coincidence. This is what happened to Ancient Greece and Rome. Let us read those portions again, if need be, and realize how the degradation of morals simply reflects a state of decline.

And it is not because our mother-in-law, England, has passed legislation of that kind that we have to follow the decline of that country, if I may use the expression.

Too often we felt compelled, in this government, to copy the laws enacted by the Parliament of London, and I do not see why we should feel obliged to do so, since I am not afraid to be wrong in saying that a referendum would reveal that 95 per cent of the Canadian citizens would be opposed to the legalization of homosexuality.

When expressing that view, we feel to be in a strong position, because we are sure of what we say, and the minister should also share that view, but he answers categorically: No organization presses for the passage of that bill. There has not been enough research done so far to allow a listing of the various questions pertaining to homosexuality. Should the phenomenon be placed under the heading of crime, of a psychic or sociological distortion, or simply of a disorder which could be cured by the medical science?

We do not know enough on all the aspects of the problem to be in a position to legislate adequately at this time. We are not here simply for the pleasure of passing laws. Besides, it seems to me that there are plenty of other extremely important matters to be dealt with. For example, the increase in the incidence of that plague would be particularly serious in our penal institutions.

Mr. Speaker, I would like, if I may, refer to an article published in the Tuesday March 4, 1969 issue of the *Journal de Montréal*, which describes the situation prevailing in American penitentiaries, and I quote:

Young convicts are corrupted by perverts.

The report comes from Washington.

Following an investigation by a Senate committee on homosexuality in penitentiaries, a young Negro aged 25 has been mentioned as a typical case of that scourge of which young prisoners are a victim.

After hearing the testimony of this Negro, referred to as John Doe, a former confirmed morphia addict, attorney Arlen Specter, of the district of Philadelphia stated that, in the penitentiaries, every new prisoner is approached barely a few hours after his arrival and that, if he refuses to take part in some unspeakable acts, he is literally raped and subjected to the roughest treatment.

As for senator Thomas J. Dodd, he deplored public indifference to the "unspeakable conditions existing in the penitentiaries, under which prisoners who at the start could have been rehabilitated become hardened criminals".

Attorney Specter explained that he was compiling very upsetting testimonies on the prevalence of homosexuality in the prisons and that he intended to submit, in support of such testimonies, "live" descriptions of obscene assaults upon young prisoners. "Such descriptions will not be to everyone's taste," added the attorney, "but they are in accordance with the facts." He added that homosexuality was one of the major problems in American penitentiary institutions and that drastic remedial measures were urgently needed.

At a time when our neighbours to the south are greatly alarmed by the very serious problem of homosexuality, we, in this country, acting like smart-alecks, like know-alls, under the guidance of a fifty-year-old young man, are getting ready to adopt measures such as this one. We should, in all decency an in all logic, wait until the results of the investigations to be carried out in the United States are known and then deal with the problem as it exists in our own country.

The absence of psycho-social investigations indicates that we should not adopt this clause now and, consequently, we should vote in favour of the amendment to delete it.

Therefore, the increase of the number of criminal offenders will become a serious problem, as one of my colleagues pointed out

it a while ago. This problem was raised a few years ago, and we know how the people reacted. Let us not complicate things, even if such occurrences are infrequent. One or two cases per year enough to raise a scare, and this will not lessen the so-called anarchy that exists throughout the world. It is not by legalizing the offences of sexual deviates that we shall solve our problems resulting from anarchy.

• (5:20 p.m.)

If homosexuality is to be legalized between two consenting twenty-one-year old adults now, Mr. Chairman, shall we be able to tell their age? It is difficult enough in the beverage-rooms of Quebec, for example, where it is forbidden to sell drinks to people under 21. It is a real headache in grills and in the hotels of Quebec. Why? Because the young girls of 15, 16 and 17 are all 21 years old and they can prove it. It is absolutely impossible to verify the age of people.

Besides, the law is so illogical, particularly the section now under study, that I can clearly picture the young lads 20 years 11 months and 30 days old—those who were born on the 28th of February will be real lucky—waiting impatiently under stress the opportunity to celebrate their 21st anniversary by jumping into the five arms of the blue eyed boy of their dreams. I do say five. So, we have here a most ridiculous situation and it is attempted to approve and legalize it. I have the approval of 100 per cent of the people, at least in my riding and in the rest of the province of Quebec. The very fact of having to speak of such a thing is scandalous itself and those who will object and say we are just being scrupulous, that these things are outdated and old-fashioned and that we are back, in Quebec, to the old days when the clergy was all powerful, those who say such things are absolutely wrong, in my opinion.

True morality is for everybody. It is not merely a question of religion but a question of being a human person, of respecting the human person. And even if there were thousands and thousands of such people, it would be unthinkable to legalize such a thing.

Otherwise, we should do the same in every other field. Once you legalize a disease you must legalize all others. That would be, Mr. Speaker, something utterly ridiculous. I therefore believe it is absolutely essential that we now vote for this amendment, that we reject clause 7 of the present bill for which we cannot see any purpose.

I heard a moment ago a member on the far right who said, in order to explain the terms "between married persons," that the government wanted to adopt the bill because, according to the present act, married people might be indicted for, gross indecency.

Mr. Speaker, this is simply ridiculous.

If I went and practiced exhibitionism with my wife, on the steps of a church or in a public place, it is only right that I should be arrested. But in private such things are quite normal. We do not do that in public. Is there anyone in the country who can say he has been arrested because he had marital relations with his wife? Just tell us because as far as I am concerned, it is just sheer madness.

Why are we presented with such an argument? Evasions were used to stick that into the heads of certain people, mainly of those who have been swept away by the wave of "trudeaumania." They were persuaded to adopt that bill after being told that it was ridiculous, that the law does not provide for that, since its present form, it could cause married people to be arrested.

To my mind, this is an absolutely disgraceful way of getting this type of bill passed.

There is no problem. When two consenting adults are alone, when they do not cause any scandal, when there is no witness, is there any problem? Are those people arrested? For them to be arrested, they have to be seen by someone.

I fail to see the reason for article 7. If two young men are in a hotel room in Ottawa, if no one is aware of it, they will not be bothered. If they engage in degrading homosexual practices, and others see them, a complaint will be lodged. There must be some complaint or other, or else, those acts which are contrary to nature must be committed in public.

We will always be against homosexuality. Besides, even if this bill allows homosexuality between persons of 21 years of age, it recognizes the fact that these acts must not be committed in public or cause a scandal.

According to the law as it stands, nothing has changed. Two individuals, alone, who have no witness, can do what they please, and in peace. That is one more reason in favour of the amendment to have this clause deleted. We would then give cause to all Canadian citizens to have a higher opinion of this house which is often called the great hall of the nation. We should avoid its becoming the great fall of the nation.

It is therefore imperative that we try to improve the reputation of this house by adopting the amendment moving the deletion of clause 7.

• (5:30 p.m.)

[*English*]

Mr. Steven Otto (York East): Mr. Speaker, I will be very brief. I should like to reply to some of the arguments put forward by the hon. member for Edmonton West (Mr. Lambert), some of which seem to be logical. His arguments were based on the old idea that morality is tied in with the law. One would presume from his speech that morality is the result of legislation and was devised by legislators and members of the church. One might come to the conclusion that morality is a permanent thing and that it never changes. Let me remind the hon. member of some early history.

Morality was not originally the prerogative of the church, particularly in pre-Christian days. Morality was the prerogative of military forces. At that time cowardice was immoral and illegal. We have come a long way since then. Subsequently, religious leaders undertook to guide, in respect of morality, and control the conduct of the people. Indeed, there was a long struggle, as outlined in English history, when the state attempted to take some of these powers from the church and put them into law.

One cannot say what morality is or suggest, as did the hon. member, that it is closely tied to the law. You may not be able to divide the two but you can recognize the change.

Mr. Woolliams: Would the hon. member permit a question?

Mr. Otto: Yes.

Mr. Woolliams: Would the hon. member care to offer an opinion as the whether an act of homosexuality or bestiality is immoral?

Mr. Otto: If one examines the early history of civilization he will find that homosexuality was quite common. This did not become immoral until the Christian era. There was an historical purpose for this change. Morality is dictated by religious orders.

An hon. Member: You did not answer the question.

Mr. Otto: Religious organizations now make the laws which control and guide the mores of a nation.

[Mr. Matte.]

Mr. Dinsdale: Obviously we are living in a sick society.

Mr. Otto: Yes, but the fact that this is a degenerated society does not mean that the failure to pass this law will help it. If one examines the history of the Roman empire he will find that after Constantine, Hadrian tried to introduce strong measures to bring back many of the old gods. He tried to bring the Roman empire into line, but he failed and the Roman empire fell apart. If our society is going to fall apart the passage of this measure will not be the cause.

Morality changes. As I said a moment ago, the conduct or the definition of morality or immorality is no longer a prerogative of religion or the church. The church suggests that it is not a sin to be poor, but our society suggests that to be poor is immoral. We know that it is immoral to be old. All these things change. By and large, the defining of morality and immorality is being assumed by technocrats and psychiatrists rather than by the state. Not long ago the Medical Association defined death as that state when the brain stopped functioning. It made no mention of the soul. The Medical Association accepted that without question. It is not those members of the medical profession—psychiatrists and others—who state that homosexuality on the part of individuals over the age of 21 is immoral. Members of the medical profession tell us that homosexuality is a sickness and that with present day knowledge there is no remedy for it.

Mr. Woolliams: That is only one opinion.

Mr. Otto: That is not only one opinion, that is the consensus of many opinions as a result of studies by psychiatrists and others. There is apparently no cure.

Mr. Dinsdale: Perhaps they should see a psychiatrist.

Mr. Otto: The journals of the American Psychiatric Association are in the library. They contain report after report by psychiatrists which indicate that homosexuality is an illness and that it cannot be cured. In any event, this is recognized as an illness. Hon. gentlemen opposite do not believe this, but there is evidence to support the argument that homosexuality is not a criminal matter. These people should not be treated as criminals. This definition has nothing to do with the old concept of morality.

History indicates that morality has been tied closely to legislation. We must recognize the facts as they exist. No one opposite has explained what benefits there might be in continuing to take criminal action against these people who are sick, and no one has denied that they are sick.

Mr. Woolliams: Would the hon. member answer another question? Taking his argument to its logical conclusion, does the hon. member think for one minute that this bill will cure anything? The bill refers to consenting adults and married couples committing acts in private. I should like to know what the hon. member thinks about the people who belong to these clubs in various urban centres. Does the hon. member think these acts are being committed in private? Let us get to the meat of this bill.

Mr. Otto: I have discussed this matter with the minister, particularly in respect of age. I do not wish to usurp the minister's position. He will explain his reasons in respect of age and consenting adults. In any event, there is no point in attempting to legislate something that will not be accepted by the Canadian people. We must make every effort to adopt legislation which is acceptable.

[*Translation*]

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I have no great speech to make on the measure before the house, but still I should like to make a few remarks as pater-familias.

First of all, I must say I am opposed to homosexuality and I fail to see how this legislation can be justified. I also find it difficult to understand how the government members can fight for this measure with so much enthusiasm.

I am sure the minister himself would rather someone else had to justify his stand with regard to homosexuality and the bill now before the house.

Mr. Speaker, I cannot put forward many arguments, because previous speakers have shown in a very eloquent way that there was no need to legalize homosexuality.

Like the member for Champlain (Mr. Matte), when this measure was introduced in the house, I wondered what could justify legalization of homosexuality. We were told time after time that homosexuals were ill. Instead of legalizing homosexuality, why not treat the sick?

I fully support what has been said by the members of Champlain and of Charlevoix (Mr. Asselin) who suggest that clinics be established to take care of sick people instead of legalizing homosexuality.

Like the member for Champlain, I often wondered which associations and public bodies had made representations to the minister or to the government, in order to legalize such an illness.

On the contrary, I received many representations from associations in my constituency, asking me to emphasize their point of view in the house of commons by taking a vigorous stand against homosexuality. That is the reason why I am speaking now, in order to let the house know about the opinion of people in my constituency.

Since this measure has been under consideration, I have not received a single representation from any homosexual or other person asking me to exert pressures on the government in order to have homosexuality legalized.

Therefore, I can state without any danger of being wrong, that I express the views of the great majority of the people in my riding when I say that it is not necessary to legalize homosexuality but that it is imperative to cure those afflicted with such a sinful disease.

It is not surprising that young people have doubts about this government when they see us spend our time in the House of Commons discussing subjects such as homosexuality, then they tend to lose confidence in the government. Mr. Speaker, we should not forget that it is not the opposition which is responsible for the time wasted discussing homosexuality but on the contrary this government which introduced the measure now under consideration.

• (5:40 p.m.)

We want to gather all the forces of the opposition in order to prevent the legalization of homosexuality. I do not think that I am wrong when I say that several hon. members opposite would like to be free to do the same.

Mr. Fortin: That is true.

Mr. Ricard: Within our party, Mr. Speaker, we are free to vote according to our own conscience. Our leader has allowed us to vote according to the dictates of our own conscience and I should like to hear the government members tell us the same thing, because we have proof to the contrary.

In fact, the hon. member who spoke before me, just a while ago, wrote in a bulletin which he sent out to his electors some time ago that government members were not supposed to move amendments in committee because they had been given instructions to support the government.

Mr. Speaker, there is no need for me to say any more because I have already stated—and I say it again—that I see no need to legalize homosexuality.

Furthermore, I should like to encourage all those on the other side who still feel free, to join us in order to prevent the passing of such a measure. Therefore I urge them to join our ranks and to object to the inclusion of clause 7 in the legislation and to vote for the amendment now under consideration.

[*English*]

Hon. Hugh John Flemming (Carleton-Charlotte): Mr. Speaker, I rise simply for the purpose of indicating my support for the amendment which will delete this clause from Bill C-150. In my opinion clause 7 is repugnant to the majority of the people of Canada. Hon. members will remember that during the debate on second reading the minister tried to convince the house that he had a case. He did not convince me that he had a case. I fail to understand how he has been persuaded to sponsor this portion of the amendments to the Criminal Code. I fail to understand what pressure was put on him to do so. In my opinion, the minister has not the slightest argument in favour of this section of the bill.

I do not propose to argue this question from a legal point of view. The hon. member for Calgary North (Mr. Woolliams) has dealt with the legal points of this question and has argued beyond any successful contradiction that this provision should not be in the bill. There is no demand for it. The hon. member for Charlevoix (Mr. Asselin) argued most eloquently this afternoon against the inclusion of this portion of the bill. My hon. friend from Saint-Hyacinthe (Mr. Ricard) has just finished arguing the point and telling the house that he cannot bring himself to support this amendment.

All these arguments lead one to believe that there is no reason whatsoever for retaining this clause in the bill. The hon. member for York East (Mr. Otto) in his argument a few minutes ago made such a poor case that I doubt the wisdom of his even rising to his feet; he did not convince anybody. Nothing he said had the slightest effect on any person who had a clear mind on this subject.

[Mr. Ricard.]

The minister is mistaken if he thinks he has enhanced his reputation by bringing forward this amendment to the Criminal Code with respect to homosexuality, bestiality, buggery, and all the rest of it, and attempting to get these things legalized by the house. He is tearing down his reputation. I say this to the minister because I have an interest in his reputation. We have been friends for a long time. He spends part of his time in my province. But he is making a mistake in allowing himself to be the instrument used to put this bill through the house, because obviously it will be passed.

Some hon. Members: Hear, hear.

Mr. Flemming: If the members of the government think they are improving their image, they are wrong also. Every member of the government and every member of the house is wrong, too, if he thinks he is enhancing his reputation by allowing this sort of bill to pass. If any member has any respect for the improvement of the general moral tone of the people of this country, he will vote in support of the amendment we are considering to eliminate clause 7. I accept the proposition that this clause will pass.

• (5:50 p.m.)

It does not make me very happy to think that a group of 150 or more people could be persuaded that this measure is good for the people of Canada. It is beyond my comprehension how this could happen, and I do not know how they managed to do it. Neither do I know why they have done it, nor do I know of any reason why they should do it. The minister has never made a speech yet in this house in which he gave any good reason for making respectable and for legalizing the homosexual act. I say that the majority of the people of Canada will be disgusted when this bill is passed by the house in its present form.

I cannot possibly accept this bill. Probably everyone knows that I cannot accept it. However, in case there might be some doubt in someones' mind as to my attitude, I am on my feet at this minute to declare my support for the elimination of the clause which makes respectable and legal something the effect of which would be to destroy, cut down and reduce the morals of our country. This is not a good thing.

I said a minute ago that the minister did not give the house any excuse for bringing in this bill. I do not refer to the bill in its entirety but rather to this particular section.

Our side of the house, through our spokesman, asked that the bill be divided so that members could express their approval of those portions of the bill of which they approve and express their disapproval of those portions which are repugnant to them. That was refused. Will you tell, me, Mr. Speaker—and I am sure if you could, you would say that you cannot—why the government, in their lack of wisdom, did not consent to divide the bill.

Mr. Woolliams: They put aspirins in the candy.

Mr. Flemming: I cannot understand it and never will because I am convinced that there are many fine people supporting the government. How they ever were persuaded not to allow the bill to be split so that amendments of this nature could be voted upon is more than I will ever be able to understand. According to the hon. member for York East (Mr. Otto) the minister did not explain anything on second reading. He made no effort to do so. He would never be appointed a minister of justice in any government of mine, because he did a very poor job. Probably the hon. member who sits next to the curtain across the aisle could do somewhat better.

Mr. Woolliams: I hope we are looking at the right man.

Mr. Flemming: I am looking at the hon. member for Hamilton-Wentworth (Mr. Gibson).

Some hon. Members: Oh, oh.

An hon. Member: I would prefer the Minister of Justice (Mr. Turner).

Mr. Flemming: That is where we differ, Mr. Speaker. As I said, the Minister of Justice failed to convince anyone that he had a case. He did not answer the question: What is the government going to do about the young people, the 16 year olds. They will make this act legal for consenting adults of 21 years and over. What about those who are twenty and a half years old, and those who are 19 years old? The situation is ridiculous because, according to this bill an 18 year old boy will be liable to 14 years in the penitentiary while the 21 year old will go free.

Homosexuality will be made legal, as the government says, because it is being practised. This would also apply to murder because we have murder, rape, and armed robbery. According to that theory, all these acts should be made legal and respectable by an act of this parliament. I cannot see for the life of me how anyone can justify this bill in its present form. I realize it will be passed or the government would not present it. But I tell you that in my opinion this parliament will be known as the parliament which legalized homosexuality, and the minister will go down in history as the minister who brought in the bill to do it. That is what will appear in the history books. I hear an hon. member saying that they are willing to take the chance. But I am not willing to take the chance, and neither do I propose to do it. They are going to put the stamp of approval on homosexuality, sodomy and bestiality. The minister still has a chance to remove those objectionable features. If he does, no particular harm will be done to the administration of justice in this country, as everyone within sound of my voice knows.

These clauses are in the bill because someone said that the government has to put it through in its present form.

Mr. Woolliams: That is the Prime Minister (Mr. Trudeau).

Mr. Flemming: I say to you that I will support the amendment to delete this clause because I think that is what the people of my constituency want me to do. Moreover, that is what I think the majority of the people of Canada want this government to do if they will only do it.

Mr. Deputy Speaker: Order. It being six o'clock, this house stands adjourned until tomorrow at 2 p.m.

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

HOUSE OF COMMONS

Thursday, April 17, 1969

The house met at 2 p.m.

ROUTINE PROCEEDINGS

PUBLIC ACCOUNTS

Third report of the Standing Committee on Public Accounts, in English and in French—Mr. Hales.

[*Editors Note: The text of the foregoing report appears in today's Votes and Proceedings*]

POST OFFICE DEPARTMENT

TABLING OF REPORT ON PHILATELIC PRODUCTS

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, pursuant to section 2 of Standing Order 41 I wish to table two copies in French and two in English of the report of the special task force appointed last January with respect to the philatelic products of the Post Office.

NATIONAL CAPITAL

AMENDMENT TO B.N.A. ACT TO INCLUDE CITY OF HULL IN AREA

Mr. Gaston Isabelle (Hull) moved for leave to introduce Bill No. C-188, to amend the British North America Act, 1867 (National Capital of Canada).

Some hon. Members: Explain.

Mr. Isabelle: The purpose of this bill, Mr. Speaker, is to extend the limits of the capital of Canada so as to include therein the city of Hull, and additional areas as defined from time to time by the parliament of Canada.

[*Translation*]

In other words, this amendment to the constitution would give statutory authority to parliament to include in the national capital all the districts already included in the national capital area.

[*English*]

Through this bill we wish to ensure that equal rights are granted for all and special privileges for no one, not even the city of Ottawa which has been privileged for so many years as a member of the national capital region.

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

Mr. Speaker: When shall the said bill be read a second time? —at the next sitting of the house?

Some hon. Members: Agreed.

• (2:10 p.m.)

ORAL QUESTION PERIOD

AGRICULTURE

REQUEST FOR STATEMENT ON SPECIFIC INTERIM ASSISTANCE MEASURES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to address a question to the Minister without Portfolio from Saskatchewan in his capacity as Acting Minister of Industry, Trade and Commerce. In view of the urgent representations made to the Agriculture Committee now in Saskatchewan, to the effect that western farmers face a crisis situation and need immediate assistance until programs for long term adjustment can be of benefit, will the minister say whether the government is now giving consideration to specific interim measures as suggested to the committee out west?

Hon. Otto E. Lang (Minister without Portfolio): The position of the government's consideration of this matter has been talked about by a number of my colleagues, and I am sure my colleague the Minister of Agriculture (Mr. Olson) will be very interested in this connection to receive an early report from the Agriculture Committee on the representations which have been made.

Some hon. Members: Oh, oh.

Mr. Stanfield: I was trying to give the minister an opportunity to be constructive. I should now like to ask him this: In view of the figures published today by the Dominion Bureau of Statistics showing that Canadian wheat stocks now stand at a record of over

1,024,000,000 bushels, will the minister tell us whether the house can expect an early statement from him or from someone else—preferably from him—indicating concern and outlining immediate specific measures to be taken? Or does the minister agree with the Prime Minister that the sale of wheat is not really the responsibility of the government?

Mr. Lang: The Prime Minister's statement to which the Leader of the Opposition has referred is again quoted in half its form, which is a rather regrettable performance.

Some hon. Members: Hear, hear.

Mr. Lang: Since I am asked, however, I will say that what is left out is the continuation to the effect that the Wheat Board is there to look after sales. I would be very happy indeed to let the Leader of the Opposition have some copies of recent speeches of mine to indicate to him that—

Some hon. Members: Oh, oh.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, those speeches of the hon. gentleman will not be read as they are alibis, not policy. I would ask the hon. gentleman this: What is his view as a member for a Saskatchewan riding—

Some hon. Members: Order.

Mr. Diefenbaker: I do not blame hon. gentlemen opposite for saying "order". They know the difficulty in which the minister finds himself. I ask him: What is his attitude regarding, first, the question of some assistance such as acreage payments immediately to meet the serious situation in Saskatchewan? None of his speeches deals with that matter.

Mr. Speaker: Order, please. The right hon. gentleman has asked the minister for his view as a member from Saskatchewan, and the question as asked is not in order.

Mr. Diefenbaker: Well, then, I will amplify it. Will he tell us, in the speeches he has delivered, what suggestions he has made. He has asked us to read these valuable additions to Liberal lore. What are the suggestions he has made in connection with benefits to the western farmer?

Mr. Speaker: Order, please. The question is not acceptable as asked.

Mr. Stanfield: Will the minister make a statement to the house at an early date—not somewhere outside in the country, but here in this house—as to what is intended?

Some hon. Members: Hear, hear.

Mr. Lang: Of course, as soon as the consideration of this question is completed we shall certainly make a full statement on the issue to this house.

Mr. Ed Schreyer (Selkirk): Since the problem referred to in these questions has existed in a grave form for several months, can the minister say whether a decision by the government is imminent?

Mr. Lang: Of course it is a certain part of the theory in the west that a great part of this problem has existed for much longer than that, indeed ever since Sir John A. Macdonald's "national policy". But we are fully aware of the seriousness of this issue.

AIR CANADA

POSSIBILITY OF MECHANICS STRIKE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Prime Minister regarding the possibility that there will be a strike of the employees of Air Canada by midnight Sunday unless some agreement is reached with the corporation. Since the main dispute seems to have to do with the fact that Air Canada mechanics are paid wages considerably below those paid in the United States—indeed, if their requests are met they would still be below the United States figure—and in view of the fact—

Some hon. Members: Question.

Mr. Douglas (Nanaimo-Cowichan-The Islands): —that the President of the Treasury Board has stated—

Mr. Speaker: Order, I wonder whether the hon. member should not ask his question.

Mr. Douglas (Nanaimo-Cowichan-The Islands): My question is very short, Mr. Speaker. In view of the fact that the President of the Treasury Board has indicated that where there is comparable productivity wage parity is reasonable, may I ask the Prime Minister whether the government still adheres to the principle laid down by the President of the Treasury Board, and is doing so in its negotiations with the employees of Air Canada.

Right Hon. P. E. Trudeau (Prime Minister): Of course, Mr. Speaker, Air Canada has been

conducting its negotiations as a crown corporation should, independently of the government; but we have had a successive series of reports from Air Canada.

Our view is that the company has made a very generous offer—an extremely generous one—of settlement, but that the unions are demanding wage increases which are completely beyond the capacity of the company to pay. Since there does not seem to be an imminent chance of a meeting of the two sides on this, it is possible that there will be a strike. However, the Department of Labour is of course, very actively following the matter, and if there is anything that the government can do short of promising any additional money, the government will do it.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. In view of the fact that the last offer made by Air Canada will still leave the employees of Air Canada below the parity figure, which seems to be the basis that has been established by the President of the Treasury Board, is the government prepared to reconsider its offer in light of the principle laid down by the government itself?

May I also ask the Prime Minister whether representatives of Air Canada have been instructed, as some of them claim, to adhere to an economical wage guideline set down by the government?

Mr. Trudeau: Mr. Speaker, on the latter point, they have not been so instructed. If they had, I doubt whether their offer would be as generous as it is, in fact. On the first point, it has never been and it is not the policy of this government to accept the principle of parity between wages in Canada and wages in the United States. If it were otherwise, it is obvious that one part of the population and one part of the workers would have to pay for the increases paid to others. It is obvious that the standard of living and the productivity of this country is lower than that of the United States; therefore it is impossible for all workers to be placed in a parity position with workers in the United States. Neither do we think it a good principle to let some workers who are in a stronger bargaining position transfer wealth from the poorer workers to the richer workers.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the inconvenience that may be caused to a great many people in Canada, may I ask the Prime Minister whether any arrangements are being made to have the Canadian Pacific Railway and Canadian National Railways handle perishable commodities in the event that this strike does take place?

Mr. Trudeau: Mr. Speaker, we are not taking the position yet that the strike is inevitable. I can tell the house, however, that a committee of cabinet is embarked on contingency planning of all kinds to make sure that there is the smallest possible disruption of the economy and service to the public, should the strike take place.

Mr. Bell: Where the hell is the Minister of Labour?

SUGGESTED COMMON NEGOTIATING DATE WITH UNIONS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, may I direct a question to the parliamentary secretary to the Minister of Labour, in view of the absence of the minister? Has the Department of Labour discussed with Air Canada the possibility of arranging one date for having contract negotiations with unions involved, so that those negotiations may take place at one time and thus avert these perpetual strike threats every few months?

Mr. Jim McNulty (Parliamentary Secretary to the Minister of Labour): Mr. Speaker, I am not aware of the situation but I will certainly take it into consideration. The Minister of Labour, I believe, will be back shortly.

[*Translation*]

CANADIAN ECONOMY

REMEDIAL MEASURES CONTEMPLATED BY GOVERNMENT

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to put a question to the Prime Minister.

In view of the fact that the unemployment rate amounts to 8.4 per cent of the total labor force in Quebec, could the Prime Minister tell the house whether or not his government has any intention of resorting in the near future to a specific means of settling this problem prevailing particularly in the province of Quebec?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, without acknowledging that the statistical data quoted by the hon. member are accurate and without necessarily saying that the only way out would be a change in government in Quebec, I must say that

the federal government does its utmost to correct the situation.

Mr. Fortin: A supplementary question, Mr. Speaker. The statistical data which I quoted originate from the Dominion Bureau of Statistics and while the unemployment rate stands at 8.4 per cent of the total and that—

Mr. Speaker: Order! Would the hon. member put his question?

Mr. Fortin: Very well, Mr. Speaker. Since according to the Dominion Bureau of Statistics the last increase in the cost of living index has been the highest in the last nine months, can the Prime Minister tell us what the government is doing or intends to do to check that rise?

Mr. Trudeau: Mr. Speaker, we are mainly concerned about standing up against the representations of the opposition, including the party of the hon. member, which is constantly asking the government to increase expenditures in all sectors.

Mr. Fortin: Mr. Speaker, I should like to ask a supplementary question.

Considering that the unemployment rate and the cost of living are rising out of control, could the Prime Minister tell us what does a majority government control?

[*English*]

REGIONAL DEVELOPMENT

INDUSTRIAL INCENTIVES MEASURE TO IMPROVE ECONOMY

Mr. David Lewis (York South): Mr. Speaker, may I direct a supplementary question to the Minister of Regional Economic Expansion? In view of the rate of unemployment in Quebec referred to and the fact that the rate of unemployment in the Atlantic provinces is shown as 10.8 per cent in this morning's release from the Dominion Bureau of Statistics, will the minister inform the house when he will be in a position to introduce the industrial incentives bill which we have been promised, and which one hopes would assist him in dealing with the problems of the five eastern provinces of this country?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I hope that will be as soon as possible. It will be during the month of May, we hope.

Mr. Lewis: A further supplementary question, Mr. Speaker. Would the minister inform this house whether he is now negotiating with provinces with which there is not now an agreement with respect to an over-all plan? Are negotiations taking place with those provinces for the setting up of such a plan? If so, would the minister inform this house of the results of these studies and negotiations?

Mr. Marchand (Langelier): Mr. Speaker, the deputy minister of my department last week was with the governments of the maritime provinces. I think he is to return tomorrow and he will make an early report on that matter.

EXTERNAL AFFAIRS

REQUEST FOR STATEMENT RESPECTING ARCTIC ARCHIPELAGO

Mr. G. W. Baldwin (Peace River): Mr. Speaker, may I direct a question to the Prime Minister? Before the Easter recess the right hon. gentleman indicated that the government would be making a statement with regard to Canada's position vis-à-vis various regions of the Arctic. Will he indicate whether this statement will be forthcoming reasonably soon? Will it be in the form of a white paper or a statement on motions, and will there be some opportunity for the house to discuss and consider the government's statement?

Right Hon. P. E. Trudeau (Prime Minister): I regret, Mr. Speaker, I am not in a position yet to indicate in what form this subject will come before the house. It is a subject we are examining and all ministers involved have been discussing it. When I am in a position to report, I will do so gladly.

ADMINISTRATION OF JUSTICE

HAL BANKS—POSSIBILITY OF RENEWING EXTRADITION PROCEEDINGS

Mr. H. Russell MacEwan (Central Nova): I have a question for the Minister of Justice. Could the minister advise if there has been any change in policy of the government as announced by the minister some time ago in this house that no attempt will be made to renew extradition proceedings against Hal Banks, because to do so would place him in double jeopardy.

Hon. John N. Turner (Minister of Justice): There is no change in policy.

Mr. MacEwan: I have a supplementary question, Mr. Speaker, arising from attempts being made by Senator Paul Fannin of the United States, of which the minister is probably aware, and arising from remarks attributed to Senator Fannin that he is "disappointed

that the Prime Minister and Justice minister have shown so little interest in getting Banks back". Will the minister say—

Mr. Speaker: Order, please. I suggest with respect to the hon. member that the previous question was not accepted, but I understand the hon. member for Calgary North has a supplementary to the original question.

Mr. Eldon M. Woolliams (Calgary North): Thank you for giving me that very careful leave, Sir. I ask the Minister of Justice whether if the administration of the United States are in accord with having Banks extradited, the government would then facilitate the extradition of Mr. Banks.

Mr. Turner (Ottawa-Carleton): I am hard put, Mr. Speaker, to answer hypothetical questions.

Mr. Woolliams: A further supplementary.

Mr. Speaker: Perhaps the hon. member has a supplementary. I am sure however he will agree with me the minister is correct in suggesting the question was hypothetical.

Mr. Woolliams: I will not take up any more time. I realize it embarrasses the government.

[*Translation*]

HOUSE OF COMMONS

INQUIRY AS TO BILINGUALISM BONUS

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I wish to ask the Secretary of State a question.

Bilingual secretaries of members of parliament have been making representations to the government for a while in order to get the 7 per cent bonus they are entitled to under the law and I would like to know when they will receive it.

Hon. Gérard Pelletier (Secretary of State): To my knowledge, Mr. Speaker, no such representations were made to my department.

Mr. Asselin: Mr. Speaker, my supplementary question is for the Prime Minister.

Could he tell us whether in the wake of the letter he received from the representatives of the bilingual secretaries, the matter has been referred to a branch, a department, the Secretary of State or otherwise, and could he also indicate when the bilingual secretaries can expect a reply in connection with that 7 per cent bonus to which they are entitled?

Mr. Trudeau: I will have to check whether such a letter was received by my office, Mr. Speaker, and pursue the matter further if need be.

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to direct a supplementary question either to the Secretary of State or to the Prime Minister in connection with that same problem, but more particularly inasmuch as the protective staff of the House of Commons is concerned.

For a long time that staff has been promised the 7 per cent bonus for bilingualism, and I would like to know if that bonus will be granted to them soon.

Mr. Asselin: Mr. Speaker, I have a supplementary question for the Secretary of State. It arises from the one which has just been asked.

Does the payment of that bonus to the bilingual secretaries come under the jurisdiction of the Secretary of State Department or under that of another department?

Mr. Pelletier: Mr. Speaker, it does not come under the jurisdiction of the Secretary of State Department.

Mr. Fortin: On a point of order, Mr. Speaker.

Mr. Speaker: Order, please. The hon. member for Lotbinière has raised a point of order.

Mr. Fortin: Mr. Speaker, in my view the question is of primary importance and, this time, I shall direct it to the Prime Minister.

Has any action been taken with regard to the claim made by members of the protective staff for the 7 per cent bonus for bilingualism?

Mr. Speaker: Even if the question is important, the hon. member cannot, on a point of order, repeat a question that has already been asked.

[*Later:*]

Mr. Asselin: Mr. Speaker, I should like to ask a supplementary question. Will the Prime Minister, after having inquired about the 7 per cent bonus which was supposed to be granted to bilingual secretaries, be in a position before long to make a statement in the house, so that we may know whether it has been allowed?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as concerns the secretaries of

house members, I believe that the matter comes under your own jurisdiction rather than that of the government.

In my opinion, it is not up to the government to have inquiries made about members and their secretaries in order to determine whether they perform enough work in French or in English or in both languages to deserve such a bonus. However, I leave the matter to your discretion, Mr. Speaker.

Mr. Asselin: On a point of order, Mr. Speaker.

It is not a matter of investigating the members or their secretaries. It is a matter of law enforcement. Is the fact that a bilingual secretary may receive a 7 per cent bonus a matter that comes under the jurisdiction of the Speaker? Is the Prime Minister expecting to meet the Speaker and ask him to make a decision as early as possible—

Mr. Speaker: Order, please.

[*Later:*]

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I wish to direct a question to the Prime Minister regarding the 7 per cent bonus.

Does he intend to recommend to the Speaker to pay this 7 per cent bonus to bilingual employees?

Mr. Speaker: The hon. member knows the rules of the house. It does not rest with the Prime Minister to recommend any action whatever to the Speaker of the house.

Inasmuch as the Chair is responsible for all questions regarding salaries of the employees of the house, hon. members can make direct representations to the Speaker.

Mr. Ricard: Mr. Speaker, this is what I am doing now.

Mr. Speaker: The rules require that it be done in writing.

[*English*]

AIR CANADA

POSSIBILITY OF MECHANICS STRIKE

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the right hon. Prime Minister. Would he refer the question of Canadian Pacific Airlines being temporarily empowered to provide additional service across Canada, and perhaps even in local areas, to the special committee of cabinet which he mentioned a moment ago, should an Air Canada strike take place?

[Mr. Trudeau.]

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, that question has already been referred to the committee.

[*Translation*]

AIRPORTS

MONTREAL—SPECULATION IN LOCATION OF INTERNATIONAL AIRPORT

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I should like to direct a question to the Minister of Justice.

Is he considering the possibility of ordering an investigation of the alleged speculations on the sites suggested for Montreal international airport in Saint-Jean, Saint-Hyacinthe and Drummondville?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I do not believe this matter comes under my jurisdiction, but I may suggest that the provincial investigation is also concerned with that problem.

[*English*]

SPORTS

TORONTO MAPLE LEAFS—SALE TO U.S. TELEVISION NETWORK

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question for the Secretary of State. In view of today's news reports indicating that negotiations are under way respecting the sale of the Toronto Maple Leafs hockey team to an American broadcasting concern would he look into this situation, which may affect an important element of Canadian culture?

Some hon. Members: Oh, oh.

DOMINION-PROVINCIAL RELATIONS

FINANCIAL DIFFICULTIES IN NEW BRUNSWICK AND NEWFOUNDLAND

Mr. James A. McGrath (St. John's East): Mr. Speaker, I wish to direct a question to the Prime Minister and ask him what steps the government of Canada is taking to deal with the very serious financial crisis facing the provinces of New Brunswick and Newfoundland, and thereby bail out his friends Premiers Robichaud and Smallwood?

Mr. Speaker: Order, please. The question as asked is not in order.

Mr. McGrath: On a point of order, Mr. Speaker, my question is an urgent one. It is prompted by the budget that was brought down yesterday in the Newfoundland—

Mr. Speaker: Order, please. If the question is important and urgent the hon. member should ask it in such a way that it will be acceptable to the Chair.

Some hon. Members: Hear, hear.

Mr. McGrath: Mr. Speaker, with your indulgence I will rephrase my question—

Right Hon. P. E. Trudeau (Prime Minister): And don't be such a smart Aleck.

Mr. McGrath: What's that?

Mr. Trudeau: I say "and don't be such a smart Aleck".

Mr. McGrath: Obviously I hit a very sensitive area. What steps is the government taking to deal with the very serious financial crisis now developing in the provinces of New Brunswick and Newfoundland which is placing a very heavy burden on the peoples of those two provinces?

Mr. Trudeau: As I indicated on a couple of occasions a few weeks ago, Mr. Speaker, officials of all provinces are constantly meeting in Ottawa these days. They met yesterday and today, and I believe they are meeting tomorrow.

An hon. Member: Every room will be full of task forces.

EXTERNAL AFFAIRS

REQUEST FOR ADDITIONAL STAFF IN PASSPORT OFFICE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I look at the Treasury Benches and I do not know to whom to direct this question, but since the Prime Minister has referred to hon. members as smart Alecks I will direct it to him in the absence of the Secretary of State for External Affairs. Will extra staff be made available to the passport body, which is very far behind in its work? People all across Canada are finding it difficult to understand the interminable waits that have to be made, even with clear-cut applications?

Right Hon. P. E. Trudeau (Prime Minister): I will refer the representation of the right hon. member to the minister, Mr. Speaker.

Mr. Diefenbaker: Mr. Speaker, I rise on a question of privilege affecting all hon. members of the house. This is the kind of nonsense this house is being subjected to by the government, in adopting the system of selective appearances of ministers in the house. We are entitled to have answers to questions without waiting around until ministers gallivanting all over the world decide to return.

Some hon. Members: Shame.

Mr. Diefenbaker: The Secretary of State is perambulating all the time, but I see that he is here today.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Surely the Prime Minister should not try to wipe aside a reasonable question by a facetious observation such as that.

Mr. Trudeau: Mr. Speaker, I am very impressed by the lecture of the right hon. member. The minister to whom he is referring is at present in Japan with three other ministers on very important business involving trade, external affairs and other aspects of Canadian policy. They had to go to Japan, and certainly it would be improper for the right hon. member to assert that the minister's absence, or the absence of any of them, would prevent the passport office from issuing passports.

I do submit that that office may be subjected to a little extra work issuing passports to members of the opposition travelling abroad, but I am sure that the absence of the Secretary of State for External Affairs will not prevent the passport office from hearing the representation of the right hon. member and from trying to expedite this matter as much as it can.

Mr. Diefenbaker: Would the Prime Minister say who is acting as Secretary of State for External Affairs, so that we could communicate with him—because as one looks at these serrated ranks opposite he wonders where all the ministers are.

POST OFFICE DEPARTMENT

ENGAGEMENT OF CASUAL EMPLOYEES

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, the Postmaster General is looking very relaxed today and in view of that I would like to ask him a question concerning the large number of casual employees in the Post Office, something we have discussed on a number of previous occasions. Can the minister report to the house any recent information he has regarding this subject as it affects the postal service across Canada?

Hon. Eric W. Kierans (Minister of Communications): I can give more exact information, Mr. Speaker. I said that the number of casuals is diminishing at a considerable rate. Between February and March we actually reduced the number of hours of casuals by 110,000, and that is almost 22 per cent or 23 per cent, and the dollar figure reduction was from $916,000 to $710,000. We are quite concerned about the problem.

At this moment in Ottawa the unions are meeting with my officers to discuss the whole problem of casuals right across the country. We have issued instructions to the regional offices that the unions and the administration should get together to discuss the problem.

Mr. Rose: Can the minister tell the house what proportion of these casuals have been taken on as permanent employees of the postal service?

Mr. Kierans: I could give the exact figures, but the hon. member will recall we had 2,000 surplus positions to fill and I would not judge that very many of the casuals have been hired permanently. We had to find jobs for the 2,084 who were rendered surplus because of the five day week.

SERVICE AVAILABLE ON SATURDAYS

Mr. A. D. Hales (Wellington): Mr. Speaker, I have a supplementary question for the Postmaster General. Some time ago the minister said that he would give consideration to keeping open on Saturdays all wickets in the lobbies of post offices, rather than just a few sections. Has he anything further to say in this regard?

Hon. Eric W. Kierans (Minister of Communications): We have not reached a decision on that. It does present a problem. We are giving half service, which is not satisfactory at all. We are considering it.

IMPLEMENTATION OF RECOMMENDATIONS IN STAMP DESIGN REPORT

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Postmaster General. It is in reference to the crisp and critical report of the Cunningham task force on stamp design which although tabled today was submitted to the minister in February. Can he advise whether any action is contemplated to implement any of the recommendations for improving what was found to be a pretty unsatisfactory situation.

[Mr. Rose.]

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, I have already expressed my opinion by saying we found the report to be unduly severe and critical. I did not feel, however, that that was any reason for not tabling it in the house. After all, the people have paid for it. A great many of the stamps we have issued have been of a high order, but there is tremendous room for improvement. With regard to the recommendations, we have them in hand and do intend to implement a great many of them.

[*Translation*]

NATIONAL PARKS

GASPÉ—INQUIRY ABOUT NINETY-NINE YEAR LEASE

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, I should like to direct a question to the Minister of Indian Affairs and Northern Development.

Could the minister tell the house whether the Quebec government has agreed to a 99-year lease for land to be used for the development of a national park in the Gaspé peninsula?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have not yet received a final answer from the Quebec government; however, yesterday, I was in the Gaspé, and several citizens of the Forillon peninsula offered to give us their lands for the development of a national park.

Some hon. Members: Hear, hear.

[*English*]

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a supplementary question for the Minister of Indian Affairs and Northern Development. Can the minister say whether the national parks policy has been altered in any way to permit the establishment of new national parks on the basis of long term leases of the land, rather than on the basis of an outright grant of the land to the Crown in perpetuity?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I appreciate that the hon. member is not familiar with French law. The "bail emphytéotique" or long lease is a legal term to be found in the Quebec Civil Code, though not in English law, and which allows us to act legally.

[*English*]

INDIAN AFFAIRS

AKAITCHO HALL—REQUEST FOR REPORT OF COMMISSIONER

Mr. David Lewis (York South): Mr. Speaker, I should like to direct this question to the Minister of Indian Affairs and Northern Development. You will recall that many weeks ago I raised a question about the regulations then in force in respect of Akaitcho Hall at Yellowknife. The minister said he was asking the commissioner to make an inquiry. I should like to ask when the minister will be able to give this chamber the details of the report which he has received as a result of the commissioner's inquiry, and would he also be good enough to table a copy of the new regulations which have recently been adopted in place of the outdated and severe ones which were objected to earlier.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, at my request, the Commissioner of the Northwest Territories personally conducted an investigation following which students were invited to elect a new council and to draft, in co-operation with the institution, new regulations which were unanimously approved.

I have not yet received a copy of the regulations but when I do I shall be pleased to advise the house accordingly.

[*English*]

Mr. Lewis: Mr. Speaker, I have a supplementary—

Mr. Speaker: The hon. member for Cape Breton-East Richmond.

INQUIRY OF THE MINISTRY

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the Prime Minister. With regional disparity and a just society in mind will the Prime Minister consider a low income housing experiment in an area where annual incomes of $4,900 and $5,600 are higher than the average?

Surely the gesture the Prime Minister just made is the type of gesture which Ted Williams was expelled from baseball for.

An hon. Member: You got struck out.

Inquiries of the Ministry

IMMIGRATION

EUROPEAN FARM WORKERS—EMPLOYMENT OF STUDENTS

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. Will the minister reverse the decision of his department which had the effect of cutting in half the number of European farm workers available to work in Canada under the International Agricultural Exchange Association and which thereby would have the effect of depriving more than 100 western farmers of experienced and capable help during the busy spring and summer season?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I am sorry I did not hear the first part of my hon. friend's question. If he is referring to the exchange of students for farm work in Canada, I should like to tell him we have reduced to some extent the number of students from other countries that would be coming to Canada this year, because of our desire to employ as many Canadian students as possible. There is still a rough balance between the number of students we take and the number of Canadian students who find employment abroad.

Mr. Mazankowski: Would the minister review the decision in light of the fact that students, particularly high school students, in our own country are at school during the seeding and harvesting seasons and therefore are not available.

Mr. Speaker: The hon. member has made a representation to the minister.

Mr. Cliff Downey (Battle River): Mr. Speaker, is the Department of Manpower and Immigration ready and able to provide the same service to farmers, so that Canadian boys can work on our farms for the same seasons, May 1 to November 1, at the same wage?

Mr. MacEachen: Well, Mr. Speaker, I think there is a capacity within the Canadian agricultural industry to absorb, certainly in the summer months, large numbers of Canadian students who are interested in doing this kind of work at reasonably good wages and under reasonably good conditions.

Inquiries of the Ministry

[*Translation*]

CANADA COUNCIL

GRANT TO STANLEY GRAY

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Secretary of State. I should like to ask him whether Mr. Stanley Gray has applied himself for a Canada Council grant, and if he has filled in the requested application form and passed the necessary examinations for obtaining a grant.

Mr. Speaker: I think the hon. member is asking a question already asked yesterday, but if he thinks his question is urgent, he could discuss it at the time of adjournment.

Mr. Laprise: At ten o'clock, Mr. Speaker.

[*English*]

SPORTS

TORONTO MAPLE LEAFS—SALE TO U.S. TELEVISION NETWORK

Mr. David MacDonald (Egmont): Mr. Speaker, my question should normally be directed either to the Minister of Consumer and Corporate Affairs or the Minister of National Health and Welfare, both of whom I assume were to be present today but are not. Therefore I shall direct this question to the Prime Minister. It is a follow-up to a question asked earlier by the hon. member for Surrey, which I think is an important question inasmuch as hockey is at least—

Mr. Speaker: Order, please. When the hon. member asked the question, the question period had expired about a minute previously.

Mr. MacDonald (Egmont): Mr. Speaker, I should like to put the question to the Prime Minister and ask him whether he and his colleagues are investigating the matter and considering appropriate action with regard to the possible buying up of one of our national hockey teams by a United States television network.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, in answer to the hon. member may I say that the entire question of sports is being studied now by a task force of the amateur and professional sports committee of the Department of National Health and Welfare, as well as by the Economic Council of Canada.

Mr. MacDonald (Egmont): A supplementary question, Mr. Speaker, to the parliamentary secretary in the absence of the minister. I ask whether the house can be assured that appropriate action will be taken before final negotiations are completed with regard to this sale.

Mr. Haidasz: I will take this question as notice, Mr. Speaker, and bring it to the minister's attention as soon as he returns.

GOVERNMENT ORDERS

CRIMINAL CODE

REPORT STAGE

The house resumed, from Wednesday, April 16, consideration of Bill C-150, to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act, and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs, and the motion of Mr. Woolliams (for Mr. Valade):

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting therefrom clause 7.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, like many other members in this chamber I have difficulty with the law that we are now considering and with the amendment that is proposed. I think the present law is, and has been for some time, largely unenforced. I do not know whether it has been unenforceable. The remedy that is proposed, however, seems to go too far in one direction for average Canadians, who after all are entitled to regard the parliamentary attitude toward the Criminal Code as a reflection of what morality should be in Canada. I hope I will be able to flight my way out of my dilemma and make at least a suggestion or two in a brief contribution to this debate.

We have here an attempt to separate the law from personal morality or, as has been stated by the architect of the so-called just society, the state has no place in the nation's bedrooms. That statement has a rather motto-like note ring to it. But I suggest to Your Honour and hon. members that the state does have a place in the nation's bedrooms. It certainly is there in the presence of the Minister of National Health and Welfare (Mr. Munro),

with family allowances when unions come to fruition. It is there in the person of the Minister of Transport (Mr. Hellyer) when he is in a position to issue pleasing housing statistics showing us just how many bedrooms exist. It is there in the presence of the Minister of Finance (Mr. Benson) because when two people come together certain financial benefits flow to the person who makes out the income tax return. Then, sir, if the union is productive, even more financial benefits flow to that union.

So this bedroom is getting to be pretty crowded. The Minister of National Health and Welfare, the Minister of Finance and the Minister of Transport are all there. Even the Minister of Justice (Mr. Turner) is there, because on occasion people straggle into the wrong bedrooms and certain parties have to put their cases before judges of divorce and matrimonial courts appointed by the Minister of Justice. So the Minister of Justice is also in that bedroom.

Then what about the Minister of Manpower and Immigration (Mr. MacEachen)? From time to time ministers of immigration of this country have been indiscreet enough to venture into weighing the merits of persons born in Canada as opposed to the merits of persons born abroad. When the minister of immigration does this on rare occasions and gets his knuckles rapped, as he should, he is surely then in the nation's bedrooms and counting those going in and the number of bodies coming out. Therefore I suggest that the statement of the Prime Minister (Mr. Trudeau) is a very great oversimplification of what is the actual situation in Canada. I have listed some half dozen ministers who have an interest in the bedrooms of the nation. This number is somewhat more than the number of ministers present this afternoon, for example, under the roster system.

I shall come to the problem in a moment, but first I would like to comment on certain statements made in the debate yesterday by the hon. member for York East (Mr. Otto). He gave an historical sketch of the sources of morality and their development over the ages. First he has to be put aright on an historical fact. It was Julian the Apostate, not Hadrian, who attempted to turn back the clock and revert to the worship of various pagan gods. The hon. member also seems to have forgotten the first half of the great Judaeo-Christian tradition that is part of our heritage. He has forgotten the moral teachings in the Old Testament before the Christian era, where certainly much was said about the goings-on at Sodom and Gomorrah, when the finger was shaken at Noah for incest with his daughters. You can name almost any part of the Old Testament and find that these things have been taught us in our formative years as examples of immoral behaviour. What the hon. member seems—

Mr. Otto: Mr. Speaker, would the hon. gentleman permit a question?

Mr. McCleave: I would be delighted to accept a question.

Mr. Otto: Is the hon. gentleman suggesting that the tribes of Israel composed a civilization at that time?

Mr. McCleave: I am sorry, Mr. Speaker; I did not catch the question.

Mr. Otto: Is the hon. gentleman suggesting that the tribes of Israel could be interpreted as composing a civilization at that time?

Mr. McCleave: I would suggest, Mr. Speaker, that if any other group as small in numbers has been as successful in directing the course of civilization I have not heard of it.

Some hon. Members: Hear, hear.

Mr. McCleave: For a people living in a very small area and often beset by civilizations ten or even a hundred times their size, I think they showed remarkable perseverance, a persistence to live and an ability to impart to us a great deal of our heritage. I hope that answers the hon. member's question.

Having listened to the hon. member, I gather that he has derived his notions of morality from the later days of the classical civilization of Rome and Greece. I point out to him that certainly in what might be called their Spartan period or their early years of formation, their standards of morality were very high indeed and were directed to the preservation of family and state rather than giving full and unfettered rein to the permissiveness of individual behaviour. This is the point I am making.

• (3:00 p.m.)

What is the whole criminal law about if it is not to enact something that imposes sanctions against what we regard as behaviour that is anti-social or against the interests of our society? There is no point in trying to argue that every individual is free to use his own moral yardstick. He is not free to go

forth intoxicated and wander about in a public place without drawing opprobrium or some penal sanction upon himself. He is not free to go forth stealing, even if stealing may be a matter of life or death to him and he takes something literally to preserve life. He is not free to handle any potentially dangerous thing. Any hot-rodder can skip along, with youth on his side and the ability of young people to react more quickly to dangerous situations than older drivers do, but he is not free to drive as he likes down the centre of any main street in Canada. The law imposes sanctions against that sort of behaviour. In short, what I am saying is that personal norms are not our guidelines in drafting the criminal law, and the criminal law deals with a multiplicity of human behaviour.

The dilemma in which I find myself is that I do not like the existing law in this field. We were all shocked by a recent case in which a person who had practised homosexuality was kept in prison for an indefinite period under another section in the code which was upheld by the Supreme Court of Canada. I do not think that the facts in that case justified that sort of reprisal against an individual of aberrant habits, otherwise, God knows who really should be in an institution for the rest of their lives.

I reject the present law in this field, but I think that the minister, in taking the course he has followed, is shrugging off the whole problem rather than attempting to cope with it in some manner. I have to agree that remedies are not particularly rampant in this field, but we do have the Kinsey studies and, particularly in the last 15 years, there has been a growth in the science of ethology. Studies in this field have so far been confined to aberrant behaviour in wild geese and animals, but they are nonetheless an indication of how human behaviour might develop under certain environmental conditions. Within a few years these studies will probably give us a much better understanding of how we can cope with sexual perversions and other aberrant behaviour of human beings.

Admittedly my remedy comes late in the day because we have to vote on a particular measure and not discuss a course of action that otherwise could be followed, but I suggest that we have dealt with this subject in a purely legal manner. It has been studied well in the committee—it was a very fine committee—but it was studied as a legal rather than a health problem. Perhaps it would have been better to take up the subject in the health committee where ethologists and other people could have come forward and made suggestions.

May I say as my final point that I have tried to argue as best I could that we cannot allow morality to become the prerogative of every individual. It is not individual morality that we are dealing with but group morality. I have here an article which appeared in the *Western Catholic Reporter* of February 9, 1969. This is not a periodical to which I, as a Presbyterian, subscribe but this copy was given to me by my friend, the hon. member for Calgary North (Mr. Woolliams). It contains one sentence which makes the argument as well as I could in 15 or 20 minutes. It reads as follows:

—the government has an obligation to promote the acknowledged norms of decency.

Unfortunately this is not what is happening in regard to the particular section of the code with which we are dealing.

I do not believe that problems of homosexuality and other aberrant sexual behaviour should be dealt with entirely as a penal matter; I think other courses will be open to be followed as our society becomes more knowledgeable on this subject. However, I would not like to see the field thrown wide open so that any person may think he has a right to do his thing. I do not think, for example, that we help society by making certain sexual aberrations permissible under the code. This might allow any pervert who molests children to think that if his neighbour down the street can be a homosexual and mingle with his kind he himself has the right to follow his own inclination to savage young children. Yet I think that unless we are very careful with what we do with the Criminal Code people will shrug—this seems to be the society of the shrug—at any suggestion that there is good law in the nation.

This is what bothers me most of all. People have to have a sense of what is right and proper in society and they must feel that there is an expression of this in the law. In the normal course of things, if someone goes astray society steps in and says that person is to be punished for going beyond what is regarded as good and proper behaviour. I believe that the intention behind the proposed amendments is good and I do not quarrel with it. But if we pass these amendments we will make our criminal law meaningless to a large segment of the country because people will automatically cast their minds back to the days of decadence of

earlier civilizations and they will think that the same thing will happen here. They will feel that we as parliamentarians have not produced the kind of law which will hold this civilization together.

In balancing my regret with regard to both the proposed law and the amendments put forward by the two hon. members I have to come down in favour of the amendments and I propose to vote accordingly.

[*Translation*]

Mr. Fortin: On a point of order, Mr. Speaker. In view of the fact that I am a new member and that I do not know the rules thoroughly as yet, I would like to know whether the minister will put an end to the debate if he speaks now?

Mr. Speaker: I have always been impressed by the hon. member's knowledge of the rules. However, I remind him that the minister does not close the debate by taking the floor now.

[*English*]

Hon. John N. Turner (Minister of Justice): Mr. Speaker, you have confirmed my understanding that under the new rules, despite the fact that the Speaker is in the chair, the minister does not close the debate when he rises to speak. However, we are limited to one intervention on each particular amendment. Despite this rule, I think it might be appropriate at this time if I were to address myself briefly to the third amendment appearing on the order paper under notices of motions pursuant to Standing Order 75 (5). If I may be allowed the same latitude as was given to the hon. member for Calgary North (Mr. Woolliams), I should like to digress somewhat to answer his point as found in his amendment, No. 7.

• (3:10 p.m.)

Briefly, it is the rationale of clause 7 that law and morals are two separate disciplines involving two separate philosophical propositions or concepts. It is the feeling of the government that certain private aspects of human life and relationships between individual human beings, despite the fact that in a pluralistic society they might be considered to be by some, in their own private judgment, as immoral, and by others to be less immoral or possibly, amoral, had better, in those areas of private behaviour, of personal conduct not involving public order, be left to private judgment and not be subject to the criminal or penal code. It is within this philosophy, or collective judgment of the government, that we have introduced clause 7 to provide that the sections of the Criminal Code dealing with gross indecency should not apply as between a husband and his wife or between any two persons each of whom is 21 years of age or more, when both consent to the act.

Mr. Lambert (Edmonton West): In private.

Mr. Turner (Ottawa-Carleton): In private. In other words, when acts are committed in private between two consenting adults, those acts, however indecent or repugnant or immoral, should remain a matter for their own private consciences and not be a matter bringing into play the Criminal Code of Canada. The conduct contemplated in this clause, homosexual acts between consenting adults in private, is repugnant to most of us. It is repugnant to the great majority of the people of Canada. I resent very much the argument of some members of the opposition that this legalizes homosexuality.

Mr. Lambert (Edmonton West): Of course it does.

Mr. Turner (Ottawa-Carleton): It surely does nothing of the kind. The clause does not endorse such acts. It does not promote such acts. It does not advocate such acts. It does not popularize such acts. It does not even legalize this kind of conduct.

Mr. Lambert (Edmonton West): It legalizes it. Of course it does.

Mr. Stanfield: Would the minister permit a question for the sake of elucidation? I understood him to say the attitude of the government was to leave these acts entirely within the realm of private judgment. If this is so, how can such conduct possibly be illegal?

Mr. Turner (Ottawa-Carleton): With the greatest respect, I think that is a bit of sophistry. The Leader of the Opposition (Mr. Stanfield) was not present throughout the debate yesterday, although I presume he read *Hansard*. The argument put forward by some members of the opposition was that the effect of this clause was to legalize or condone a standard of conduct which to most of us is physically and morally repugnant. It does nothing of the kind. It merely lifts the stigma of the criminal law from a certain type of conduct which we consider to be private conduct which ought not to be within the purview of the criminal law. That is the purpose of the clause.

Mr. Lambert (Edmonton West): When something ceases to be illegal it is then legal.

Mr. Turner (Ottawa-Carleton): It may well be, and I tend to think so myself, that homosexual acts are a cause for medical attention or psychiatric attention. But when carried out in private, and when they do not affect the morals of a minor or corrupt a minor, they should remain outside the criminal law. The criminal law will not cure them. The causes of this kind of conduct are far more subtle.

Mr. Lambert (Edmonton West): What about the ages 17 and 18? This is when doctors are necessary, and it is criminal then.

Mr. Valade: May I be allowed to ask a question, Mr. Speaker?

Mr. Turner (Ottawa-Carleton): I should be glad to entertain the hon. member's question when I am finished. I am sure he will be able to retain it in his very sophisticated mind until the end of what I have to say.

Mr. Knowles (Winnipeg North Centre): You are just a pair of consenting adults.

Mr. Turner (Ottawa-Carleton): The hon. member was a member of the committee and he knows we threshed this subject out fairly thoroughly. I recognize his interest in this subject from the point of view of the criminal law and I shall be glad to entertain his question a little later.

It is our view that it is not the purpose of the criminal law to probe into the private lives of individuals where the public order is not involved. Here I come to another argument, and in this I believe a good many members of the house will support me. A penal law is not a good law unless it is an enforceable law. A law which is not enforceable is not a good law. And it is our judgment that a law against the kind of conduct contemplated in clause 7, acts between consenting adults in private, is unenforceable, indeed, that attempting to police this type of conduct by probing into the private lives of people would bring the whole system of law into contempt and disrepute and thereby contribute to making the law less credible. I believe that public order would be better served by the amendment to the code which we propose.

Mr. Lambert (Edmonton West): Would you pry into the 20 year-olds?

[Mr. Turner (Ottawa-Carleton).]

[*Translation*]

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I know the members of the Ralliement Créditiste and I am sure they were sincere when they quoted from the Old and the New Testament. May I tell them, however, that I have here, to back my opinion a text which says that a law which cannot be enforced is not a good law.

Therefore, may I quote, for their guidance, an excerpt from the Supplement to the Summa Theologica, by Saint Thomas Aquinas. I quote from the answer to the first objection, question 67, article III.

He that is empowered to prohibit (i.e. to make laws) does not sin if he does not expect his prohibition to be a source of redress or improvement, but, on the contrary, deems that this prohibition will give birth to more evil or disorder.

Therefore, I believe that even on the ground of theology, very serious and reliable authorities have backed up the opinion that if you want a law to be complied with it should be officially promulgated.

[*English*]

I wish to comment briefly on certain remarks made during the debate. I shall not trace them to individual members because I would prefer to deal with the question objectively.

• (3:20 p.m.)

The suggestion was made that taking away the sting of the criminal law from this type of conduct between consenting adults in private would menace the health of society, that it would have a damaging effect on family life. This concerns me very deeply. I want to cite for the consideration of the house some of the conclusions, reached after a good deal of study, by the Wolfenden commission in the United Kingdom which, as the house will recall, was composed of 12 men and three women under the chairmanship of Sir John Wolfenden and reported on similar matters to the House of Commons at Westminster.

After a very thorough investigation and inquiry the commission rejected each of these arguments. The committee found there was—

—no evidence to support the view that homosexual activity is a cause of the demoralization and decay of civilizations, and that therefore unless we wish to see our nation degenerate and decay such conduct must be stopped by every possible means.

I am using the committee's own words. The report goes on, and I quote again:

—we cannot feel it right to frame the laws which should govern this country in the present age by

reference to hypothetical explanations of the history of other peoples in ages distant in time and different in circumstances from our own.

With respect to the second contention that this type of conduct has damaging effects on family life, that homosexual behaviour between males has a damaging effect on family life, the committee found—and I quote:

—this may well be true, and deplored "this damage to what we regard as the basic unit of society".

I deplore it too. However, the committee went on to say:

We have no reasons shown to us which would lead us to believe that homosexual behaviour between males inflicts any greater damage on family life than adultery, fornication or lesbian behaviour. These practices are all reprehensible from the point of view of harm to the family, but it is difficult to see why on this ground male homosexual behaviour alone among them should be a criminal offence.

Here we get down to the relationship between law and morals again. We do not condone adultery, yet it is not a crime. We do not condone fornication, yet it is not a crime. This type of private diversion from what we would consider moral behaviour has remained outside the purview of the criminal law, and I do not believe that the imposition of the criminal law against this type of behaviour would cure it. Neither do I believe that the imposition of the criminal law against the type of behaviour contemplated in this clause, however reprehensible it may be to most people in this house and in this country, would cure the illness or conduct about which we are talking.

I want to deal briefly with the arguments of the hon. member for Calgary North (Mr. Woolliams). The hon. member used to support his contention an opinion written by Dr. Alan Mewett, a very respected professor from the University of Toronto school of law, whose testimony we had the advantage of hearing before the committee, thanks to the intervention of the hon. member. The hon. member suggested that under the proposed amendment bestiality could be lawful. I should just like to read the clause to Your Honour.

Sections 147 and 149 do not apply to any act committed in private between

(a) a husband and his wife, or

(b) any two persons—

I agree with the hon. member that there is no certainty in the law. I agree with the hon. member that he does not have to take my opinion of the law. As a matter of fact, I am appointed to this post not to interpret the law but to try to administer justice, and I take my views from as wide a selection of legal authority as I can, particularly from the law officers of the Crown.

I suggest to the hon. member that the opinion he advances, supported as he is by Professor Mewett, is not widely shared. As the hon. member for Cochrane (Mr. Stewart) suggested to us yesterday, it really does not take a lawyer to distinguish between the word "person" and the concept of bestiality. Therefore I would say to him, with all the respect that I have for him as a result of our friendship over the years, that new section 149A must be construed as referring to those acts that are mentioned in sections 147 to 149 other than bestiality. To construe clause 7 in any other way would be to reduce the ordinary use of language to an absurdity.

May I thank you for your indulgence, Mr. Speaker. I appreciate that hon. members opposite have suggested in rather strong terms that law and morality ought, where possible, to be synonymous, public law and strictly private morality. However, I cannot accept that. I suppose that in a perfect society where one would have unanimous opinion as to what is morality and what are standards of good behaviour this might be so. But the problem of trying to render synonymous law and morality is that we then come down to the question: Whose morality? Whose standards of behaviour? Whose sense of morality? Who is to determine the standard? Who is to attribute blame? Who is to say what is moral and what is immoral? Who is to decide when moral responsibility exists in terms of freedom of will, and when it has to be diluted in human terms because of environmental or physical causes?

The nub of the matter is: Who is to decide what moral behaviour or conduct is to be reflected in the code? That is the point. In a pluralistic society there may be different standards, differing attitudes, and the law cannot reflect them all. Public order, in this situation of a pluralistic society, cannot substitute for private conduct.

We believe that morality is a matter for private conscience. Criminal law should reflect the public order only. Despite the fact that most of us in our personal convictions have a complete repugnance to the conduct from which we are lifting the taint of criminal law, this does not to my mind interfere with the validity of the principles that we are trying to submit to the house.

Mr. Woolliams: May I just ask a question for clarification, Mr. Speaker. As I said yesterday—and I hope I was fair in my argument—the law is subject to interpretation. In this particular argument I have to ask the minister's opinion of the law as he sees it. May I just review section 147 of the code; I read it yesterday and it deals with buggery and bestiality. Section 147 reads:

Every one who commits buggery or bestiality is guilty of an indictable offence and is liable to imprisonment—

Is it possible for two persons over 21 years of age, engaging in this sort of pantomine in private, to be found guilty of bestiality—under proper circumstances, of course, as the minister can appreciate, being a lawyer?

• (3:30 p.m.)

Mr. Turner (Ottawa-Carleton): As I said, Mr. Speaker, we are unable to agree with the hon. member's contention that the factual situation as he described it would be applicable here.

Mr. Woolliams: My argument is simple. Does the minister mean that if two people are together and they have an animal with them and one of them commits an act of bestiality with that animal, one of them would not be guilty of contravening the Criminal Code? Would not both be found guilty of bestiality?

Mr. Turner (Ottawa-Carleton): What you are worried about—I speak through you, Mr. Speaker—does not amount to anything.

Some hon. Members: Oh, oh.

Mr. Turner (Ottawa-Carleton): I submit the hon. member is concerned about a situation which really tortures the wording of this amendment. The amendment would in no way exempt the type of conduct he describes.

Mr. Valade: Mr. Speaker, on previous occasions I have asked the minister certain questions. Would he be good enough to reply to them now? The minister stated that homosexuality ought not to be considered from the legal aspect but from the psychological or medical aspect. On what argument does he base that contention? What specialized or expert opinions does he draw on when he says that homosexuality ought to be considered a medical or psychological problem?

Mr. Turner (Ottawa-Carleton): That was accessory to my main argument. We believe that this type of conduct cannot be cured by using the criminal law and that it is either a question for private morality or for physical treatment. It must be cured either by emotional or psychiatric treatment and is beyond the purview of the criminal law. That was my argument.

Mr. Nowlan: Mr. Speaker, will the minister permit a question? I agree with him as to the way this type of conduct ought to be cured. He suggested that the arguments of my leader constituted sophistry and I submit that the minister's arguments are forms of sophistry. Frankly, I cannot follow them. I do not understand his argument when he says that the introduction of clause 7 will not make homosexuality legal. As I understand the law it is that without clause 7 acts of homosexuality would be illegal. By inference, therefore, it is fair to say that the minister is legalizing this conduct. This area of the bill, frankly, is the only one which really bothers me. When the minister tries to suggest that questions raised by hon. members with regard to this clause constitute sophistry, I say that the minister is not being quite fair. Surely with clause 7 homosexual acts in Canada will be legal.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, what the clause purports to do is to render non-criminal homosexual acts between consenting adults in private. That is a far cry from the positive term "legalized". In other words, it is a far cry from saying such conduct is legalized.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I had no intention of participating in this debate but I must confess that the minister's latest comments have made me more confused than I was before.

Some hon. Members: Hear, hear.

Mr. Stanfield: Perhaps he did not mean to suggest that the change he is proposing constitutes approval of this conduct. But when he stands up in the house and says that the effect of the change will not be to legalize such conduct, I am afraid I cannot follow him. If this clause means anything surely it means that it will make legal what was formerly illegal. The minister's latest statements have only served to confuse me and I cannot accept his contention. I can understand him when he says that the criminal law possibly was ineffective in this area. But when he says that this sort of conduct involves purely a matter of private judgment, then I find that difficult to accept. Surely we recognize that

the interests of society are involved with respect to what goes on in private and that the criminal law must regulate such conduct.

Mr. Turner (Ottawa-Carleton): I take it the hon. member was asking a question and I shall try to reply to it.

Mr. Stanfield: It was a statement.

Mr. Turner (Ottawa-Carleton): The effect in law of clause 7 is to provide a defence to sections 147 and 149 with respect to those conditions described in the clause. That is the legal effect of it.

Mr. Woolliams: But section 147 deals with bestiality.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I had not intended participating in the debate on the amendment to clause 7 of the bill. But as I listened to the minister this afternoon and to the explanations he gave hon. members with respect to the bill I, too, found myself becoming increasingly confused. Frankly, I do not know why the Minister of Justice has followed the course he has in introducing this bill. As the English speaking heir apparent to the Prime Minister's throne which may become vacant more quickly than we realized, he has not done himself justice by promoting this type of measure.

An hon. Member: You are confused.

Mr. Crouse: Yes. As one hon. member has said, I am confused. Considering what is rumoured throughout the country I feel that my statement has some validity. As I listened to the minister I could not help wondering just who was promoting this bill across Canada. Where did the pressure come from that caused the Minister of Justice to initiate this form of change or this type of measure? I fail to understand it. I cannot conceive of the reasons that prompted this measure to be brought before the house.

An hon. Member: Whom are we trying to protect?

Mr. Crouse: I wonder, whom are we trying to protect? When the effect of clause 7, as I understand it, is to make legal acts of homosexuality and buggery between two consenting adults or bestiality involving animals when such acts are carried out in private, how can the minister justify his thinking on this matter? When we pass clause 7 these acts, although they are committed in private, become legal. Would the minister say, for example, that if two adults smoke marijuana in private their actions would be legal?

• (3:40 p.m.)

In view of the controversy in the house on this point I think the Minister's views would be of interest to the house as well as to Canadians generally. I cannot conceive of the measure now before us being passed. I wish to register my strong protest against legalizing homosexuality and I want to indicate my intention to vote against any act that will legalize it in Canada.

Would the minister answer my question with regard to the use of marijuana? Does he believe that the smoking of marijuana by two consenting adults in private should be considered legal?

[*Translation*]

The Acting Speaker (Mr. Béchard): Order please. May I remind hon. members that the Chair will accept such questions provided they are addressed to the minister while he has the floor.

These questions must not be allowed to develop into speeches since some hon. members will probably want later on to take part in the debate on this amendment.

[*English*]

Hon. W. G. Dinsdale (Brandon-Souris): I did not have the privilege, Mr. Speaker, of serving on the justice committee which dealt in depth with this very difficult problem, but I have followed the debate in the house at the various stages, particularly at this stage.

Having listened to the comments of the various members who have spoken and to the statement of the minister a minute ago, it seems to me that legal chicanery has been the main concern involved in discussing a matter which I feel is a very profound and disturbing moral issue. I am not a lawyer and I do not intend to get involved in the legal niceties of the problem, but I would like to present some of the moral concerns that bother me as I contemplate having to make a decision on this matter.

As I have listened to the discussion it has become more and more evident why this bill should not have been considered in omnibus form, but it should have been dealt with in separate parts. I understand this was the desire of the Minister of Justice in order that we could deal with the merits of other parts of the bill which are worth while and

should be promoted without having to commit ourselves to a moral act of profound significance. I am in agreement with hon. members who are disturbed with the minister's attempt to deal with the moral aspect. The minister quoted the Wolfenden report. It is not the law of the Medes and Persians in regard to the social impact that a measure of this kind might have. As a matter of fact we now hear of very serious repercussions in the United Kingdom as to the effects that similar amendments made there a few years ago are having on the basic social institution of the family.

The minister referred to previous experience with regard to the moral impact as being history from a bygone era having no significance today as we consider this matter. I concluded from this that the minister has his head in the sand. I believe it was Charles Beard who reached three main conclusions as a result of a lifetime spent on historic research. They were, first, that "the mills of the Gods grind slowly, but they grind exceedingly fine"; second, "when it is dark you can see the stars". Morally, it is very dark right now in many parts of the world. Possibly there will be a light at the end of the tunnel before very long. The third and most significant is, "He whom the Gods would destroy, they first make mad."

I cannot understand why a government charged with the responsibility of leading this house and the nation is bringing in this change at this time when there has been no great public pressure or public clamor. The issue is seriously fraught with moral implications. We are bringing the morals and values of skid row into the salons and drawing rooms of the nation. I used to be a social worker. Certainly these things go on in skid row areas, but now we are bringing them right into the open and discussing them in the high court of public opinion, parliament. This will not resolve anything in terms of the problem itself.

The minister admits there is no positive approach in the legislation to this problem. If it is to be dealt with in a positive way, we must change the emphasis from punitive treatment to therapeutic treatment. There is nothing in any government program that comes to grips with the problem. We are reversing completely values and traditions which have been the foundation stone upon which our western Christian civilization has been established. This is being done without any public pressure. The initiative has come from the government.

[Mr. Dinsdale.]

There was a time when it was possible to say that all politicians were against sin and for motherhood. Here we have a reversal of this fundamental principle. Obviously this legislation means that we are formally recognizing this problem and are downgrading the role of motherhood in this nation. Our values are completely reversed, which indicates the degree to which moral decay has saturated our society. Today we hear many people in responsible positions referring to the civilization and culture of North America, the United Kingdom and in fact the whole western world as a sick society.

I am amazed that members on the government back benches have not participated in this debate because we are now reaching the crux. We have to make a decision within the next day or so. I hope some government supporters will weigh this change from the standpoint of not only its legal implications but also its moral implications.

The Prime Minister himself has given support to this legislation. As a matter of fact, he initiated the legislation when he was Minister of Justice. There is a prestige surrounding this high office which is far above the qualities of any particular incumbent. As several spokesmen have already indicated, it is the Prime Minister who in response to the serious criticisms with respect to the moral implications replied with that frivolous phrase, the state has no place in the bedrooms of the nation. Of course that is hardly worthy of the dignity and responsibilities of a man who is charged with the responsibility of leading this nation. Murder your wife in the bedroom and see how quickly the state would move in. Pile garbage in your bedroom and see how quickly the state would move in.

• (3:50 p.m.)

Some hon. Members: Oh, oh.

Mr. Dinsdale: Some of the backbenchers on the government side of the house are shouting. I wish they would get up and make speeches instead of shouting. I am speaking to the amendment.

Mr. Crouse: On a point of order, Mr. Speaker, there is a debate going on and there are interruptions from the other side of the house.

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Brandon-Souris has the floor.

Mr. Dinsdale: As I was saying, murder your wife in the bedroom and you will see how fast the state will deal with that problem. But if you become involved in spiritual and psychological degradation of this kind you are actually committing an act that involves spiritual and even sociological death because, as I hope to demonstrate in the short time at my disposal, this is not an act that involves only the individual concerned. It has widespread sociological implications.

I know that a lot of acts are committed today in the name of what is called the new morality. The new morality is merely the old permissiveness that has dragged down men and nations from the dawn of creation as the result of a complete reversal of values, with evil becoming good and good becoming evil. We are concerned here with one of the most intimate and sensitive relationships between man and woman in human society. If we remove love from sex I suggest that we will destroy human personality. I suggest, with great respect, that we are seeing human beings behave at an animalistic level as interpreted in the best seller of a short while ago entitled "The Naked Ape". I would suggest to the minister that notwithstanding the arguments he made this afternoon, sex without love is immoral. People are to be loved and not used, and that applies to both sexes.

What we are embracing is the *Playboy* philosophy. I remember seeing one of those smart, cynical cartoons depicting a man and woman in a fond embrace and the man saying, "Why think of love at a time like this"? This is just about the level to which the government is taking us in this strange, unnecessary and, from a public standpoint, uncalled for amendment to the Criminal Code.

Playboy says it is all right if it does not hurt anybody. The Judaeo-Christian ethic says nothing is right unless it helps somebody. Actually what we are embracing is the Mohammedan philosophy of hedonism. That is where the phrase, "The state has no business in the bedrooms of the nation", originated. The Arab attitude or the Moslem attitude is that as long as public decency is not debauched everything is all right. That is precisely the philosophy the minister was supporting this afternoon. In other words, what I don't see I should not and need not worry about.

With respect, Mr. Speaker, we are dealing with a gross perversion of a very high and noble function which is involved in perpetuating the species. It is socially vicious, Wolfenden notwithstanding—and who is Wolfenden, after all, but one man? I do not know if he embraces the *Playboy* philosophy. He might, but I think we could get many more important philosophies to support the other viewpoint. It strikes at the heart of our basic social institution, the family, and it is for this reason that so many authorities say today that what we are dealing with is a sick society. It is abnormal social behavior, because homosexuals are predators. Anybody who has been engaged in social work knows that the homosexual is a predator in respect of matters of sex. Homosexuals prey on juveniles. It is something that spreads like a plague, for there is no more destructive drive than the sexual impulse running wild.

The lawyers on this side of the house have already dealt with the strange anomaly that if you are over 21 you are legal and correct and if you are under 21 there is nothing said at all. In fact there is supreme silence on the matter. However, I was recently reminded by the Manitoba Director of Communicable Diseases, Dr. Snell, that one of the reasons for venereal disease running out of control today is the very difficult problem of controlling this sort of thing amongst homosexuals. It is an illness, I agree. It is a psychological and deep-seated spiritual disease which requires therapeutic rather than punitive treatment, but there is nothing in the amendment to the code that deals with the therapeutic aspect of the problem. It is an action that is incomprehensible, that is going to make it impossible for a good many members on this side of the house, indeed I hope on both sides of the house, to vote for other amendments to the Criminal Code which are worthy of support.

To bring these remarks to a conclusion, Mr. Speaker, I wish to quote a few words from Dante. I think the minister will recognize them as having some pertinence so far as our modern 20th century sex-saturated civilization is concerned. In another time of darkness in human affairs in the moral sphere Dante said: "The hottest places in Hell are reserved for those who in a period of moral crisis maintained their neutrality". I hope many hon. members will take a stand on this issue even though it means they will have to vote against the bill as a whole because of the failure of the government to deal with it reasonably and rationally in separate parts rather than in omnibus form.

Mr. C. Terrence Murphy (Sault Ste. Marie): Mr. Speaker, I am entering this debate for one reason only, because I have become a little bit sick and tired of sitting on this side of the house and listening to some of the speeches from the other side.

• (4:00 p.m.)

The last speaker, the hon. member for Brandon-Souris (Mr. Dinsdale), started out by saying that the Minister of Justice (Mr. Turner) was being very unreasonable in asking that this bill be treated as an entity and not be broken down into three or four parts. Yet at this very moment he has been taking part in a debate on an amendment to the bill which deals with one of the very parts which would have been dealt with had the bill been broken up. Every member of this house, by voting on this amendment, will be in a position to indicate where he stands on the question of homosexuality and the other acts covered by clause 7 of the bill. As later amendments are dealt with every hon. member will have an opportunity to stand up and be counted in connection with the problems involved in the different parts of the bill pertaining to abortion, lotteries and other matters. As I see it there is no hardship for a backbencher in the bill being dealt with in this way. Every member will have an opportunity to let his voice be heard with reference to all these amendments in the way in which he wants to be heard.

The hon. member for Brandon-Souris made a great fuss about the phrase, "the state has no place in the bedrooms of the nation". I should like to say that that phrase was uttered long before June 25, 1968, by the minister of justice of that day. This bill was publicized long before June 25, 1968, and the people of Canada knew about that phrase; they knew about the man who used it. They knew it was part of his program. The people of Canada returned a majority of that man's party to this house. That is the reason we are sitting over here and you are sitting over there. The hon. member also—

The Acting Speaker (Mr. Béchard): Order. The hon. member for Brandon-Souris on a point of order.

Mr. Dinsdale: I rise on a question of privilege, Mr. Speaker. That statement was first uttered by Omar Khayyam. It was borrowed by the Prime Minister.

Mr. Murphy: I will accept the correction by my hon. friend.

[Mr. Dinsdale.]

Mr. Lewis: Omar Khayyam was not elected.

Mr. Murphy: In any event the present Prime Minister (Mr. Trudeau), the then minister of justice, used the phrase. He might be guilty of plagiarism, but he did use that phrase at the time he introduced what I believe was Bill C-195 in the last parliament.

Mr. Dinsdale: Omar Khayyam was a playboy too.

Mr. Murphy: The word "playboy" has come up a number of times. The hon. member mentioned that sex without love is immoral. This is *Playboy* philosophy. I agree with him. I could not agree more that sex without love is immoral, but that does not make it illegal. It does not make it a crime for which the person should be punished. Sex with love under the present section 149 is illegal as the law now stands.

If the proposed amendment passes, that law will continue to stand and sex with love between a husband and wife and between a fiancée and her husband-to-be committed in private would continue to be a crime. I believe what this government is trying to do is remove the stigma of criminality from these legal acts between a husband and wife and consenting adults when they are committed in private and affect no one else. One hon. member brought up the question of attempted suicide. It was brought up yesterday by the hon. member for Edmonton West (Mr. Lambert), I believe. I must say that I agree wholeheartedly with what the hon. member said yesterday about attempted suicide. I do not think that should be a crime either. In due course, hopefully during the life of this government, I think steps will be taken to recognize that fact and have that offence eliminated from the criminal law as well.

Some hon. Members: Hear, hear.

Mr. Murphy: I believe, however, that before making his speech yesterday the hon. member for Edmonton West probably went through the Criminal Code with a fine-tooth comb. The only offence he could find in the Criminal Code pertaining to a private act committed in a private place, apart from the acts which are now being eliminated from the code, was attempted suicide. There is no crime under our criminal law other than attempted suicide in respect of which the person accused of the crime does not in some way infringe upon the rights of society, upon the rights of the state or upon the

rights of another individual. Attempted suicide is the only one in the Criminal Code.

Mr. Lambert (Edmonton West): Narcotics.

Mr. Murphy: That question was raised as well. A comparison was drawn with marijuana. I do not know why the hon. member did not go on and mention heroin and some of the other narcotics. The history of their use would indicate that a person addicted to narcotics is more likely to go out and harm or damage other people.

Mr. Lambert (Edmonton West): What about a homosexual?

Mr. Murphy: A homosexual doing so under this act is guilty of a crime and the amendment does not change that. Anyone who molests youngsters or commits an act in public will continue to be a criminal despite the present amendment. All this amendment would do—and with all due respect to the minister I do not go along with him—would be to legalize I think an act between consenting adults in private and between husband and wife in private. There is no reason that such an act should have been illegal in the first instance.

Mr. Asselin: What about adults 19 years of age?

Mr. Murphy: I did not hear that.

Mr. Asselin: What about adults 18 or 19 years of age?

[*Translation*]

The Acting Speaker (Mr. Béchard): Order. The hon. member is not sitting in his place.

[*English*]

Mr. Murphy: Much has been made of the fact that an age limit has been prescribed here. Surely all members know age limits must be prescribed in much of this type of legislation.

Some hon. Members: Why?

Mr. Murphy: I will put it this way. If a man has sexual intercourse with a girl who consents there is no crime if she is 16 years of age. If she is 15 years, 11 months and 29 days it is a crime.

Mr. Lewis: Twenty-seven days if the month happens to be February.

Mr. Murphy: I accept that. A person who takes a drink one day short of his 21st birthday is guilty of a crime and on his 21st birthday that same act is not a crime. A person who is one day away from being 21 years of age cannot vote under our present law.

Some hon. Members: Why?

Mr. Murphy: The next day he is eligible to vote. The history of our law shows there are a whole series of exemptions. Age limits have been imposed for common-sense reasons. If you want to bring the age limit down to 20 why stop there? Why not make it 16 or 10? There are obvious reasons. I do not think it takes a great deal of thought to figure them out.

I have risen on this occasion to indicate that I am not afraid to stand up, as has been indicated by some members, and to indicate that other backbenchers on this side of the house are not afraid to stand up and enter this debate. I shall oppose the amendment.

• (4:10 p.m.)

Mr. John Gilbert (Broadview): Mr. Speaker, I also am opposed to the amendment moved by the hon. member for Sainte-Marie (Mr. Valade), because new section 149A, which is the substance of clause 7, removes from the criminal law sexual acts done in private between two consenting adults over the age of 21. This is the substance of the new provision. This does not mean that the Minister of Justice (Mr. Turner), the government or any person within parliament is giving moral condonation to the act of homosexuality. The minister, like many others, feels that this act is repugnant or distasteful. This is the very reason why I commend the Minister of Justice for his wisdom and courage in bringing forward this amendment to the Criminal Code. I would like to welcome some of the members of the Progressive Conservative party in the 20th century, but I find they have hang-ups arising from their puritanical narrowness and find it difficult to come into this century.

It is obvious that the problem of homosexuality is a very difficult one. The hon. member for Brandon-Souris (Mr. Dinsdale), because of what he said, made me realize that he had not read the Wolfenden report or the speech of the Archbishop of Canterbury in the House of Lords. He has not read too much on the subject, yet he adopts a moralistic tone which makes it rather difficult to accept his arguments.

Mr. Dinsdale: Mr. Speaker, I rise on a question of privilege, If the hon. gentleman will go the library he will find that I have read most extensively, and I do not think he should be the adjudicator of my reading capacity.

Mr. Lewis: What you said in your speech did not show it.

Mr. Gilbert: I would be very happy to give the hon. member a copy of the Wolfenden report and also obtain for him a copy of the speech of the Archbishop of Canterbury in the House of Lords. I am sure that after reading them he would be intellectually and spiritually persuaded. With regard to the wisdom of this change, the problem of homosexuality is a very difficult one. If you read the Wolfenden report you will see that it indicates the difficulties. In that case 12 men and 3 women of extensive backgrounds, with expertise in different fields, studied the problem in depth and as a result brought forth the Wolfenden report. It would be fair to say that the amendment we are now considering, new section 149A, is a result of the study made which resulted in the Wolfenden report. It also brought about the Sexual Offences Act in Great Britain in 1966, which embraces the main recommendations of the Wolfenden report.

If one reads the Wolfenden report one soon learns that there is a difference between homosexual offences such as are contained in sections 147, 148 and 149 of the Criminal Code, concerning buggery, bestiality, indecent assault of a male person and acts of gross indecency, and the definition of homosexuality. The definition of homosexuality as set forth in the Wolfenden report is that it is a sexual propensity for persons of one's own sex. If this is so, homosexuality is a state or condition and as such does not come within the purview of the criminal law.

I have heard a great deal of comment on whether homosexuality is a mental disease. Again, the Wolfenden report went into this problem in depth and said it did not satisfy the definition of mental disease; it did not comply with that definition on the basis of an abnormal symptom caused by a pathological condition, in turn caused by some factor called "the cause", each link in this causal chain being understood as something necessarily antecedent to the next. If homosexuality were a disease of the mind, must we treat these people as criminals?

[Mr. Gilbert.]

Mr. Dinsdale: No. Let us have some positive legislation.

Mr. Gilbert: Do we treat people suffering from tuberculosis, cancer or leprosy as such? I agree with the hon. member for Brandon-Souris that psychiatric help is a form of treatment. But if he would read the Wolfenden report he would see that it indicates that many of these people are not anxious to have psychiatric help and that very little success has been obtained through psychotherapy in this field. This indicates that we are still groping in the dark with regard to the medical treatment of this major problem.

The question arises: How many persons are homosexual? I think it is fair to quote Dr. Kinsey, who made an extensive study of this problem in the United States. He said that 4 per cent of adult, white males are exclusively homosexual throughout their lives after becoming adolescent. He also said that 10 per cent of all adult, white males are more or less homosexual for at least three years between the ages of 16 and 65, and that 37 per cent of the total male population have had some overt homosexual experience, to the point of orgasm, between adolescence and old age. It was pointed out that in Sweden 1 per cent are exclusively homosexual and 4 per cent have homosexual and heterosexual impulses. When I heard the hon. member for Brandon-Souris say that we are bringing in the conduct of skid row, it indicated his lack of knowledge on this subject.

Mr. Dinsdale: I said "the values".

Mr. Gilbert: I will accept the interjection of the hon. member. These figures obtained from Sweden and the report of Dr. Kinsey indicate the extent of the problem. With regard to the question of the moral issue—and we have heard a great deal about the moral problem—concerning homosexuality, I note that the opposition is mostly on the basis of repugnance and revulsion rather than on a valid basis for bringing into the criminal law private sexual behaviour of this kind.

We have heard a great deal about how civilization is becoming demoralized and decayed. It is said homosexuality has had a great impact on the health of our society. The minister quoted some of the Wolfenden report to reject that argument. The Wolfenden committee found there was no evidence to substantiate the contention that homosexuality is bringing about the demoralization and decadence of our society. It is fair to say that you cannot refer to other civilizations which are

both different in time and in circumstances. With regard to the allegation that homosexuality damages family life, no doubt there have been cases where homosexual conduct has broken up marriages and the family unit; but again, as the Minister of Justice said, so have adultery, fornication and lesbian behaviour.

I think that people who express themselves in a high moral tone should exercise compassion, understanding and patience with regard to the problem and should not want to treat these people as criminals. But it seems there is involved in this question an almost Old Testament-time vengeance that pervades their minds and souls and they invoke the wrath of the old gods.

• (4:20 p.m.)

Mr. Dinsdale: We want therapy.

Mr. Gilbert: The next problem is that of age. The age set forth in the bill is 21. The question of age is very difficult. At what age is a man to be regarded as an adult? Is it 16, 18, 21, 25 or possibly 30? Let us look at it. There are certain requirements with regard to determining the age at which a person becomes an adult. First, it is necessary to protect young and immature persons. Is a person at the age of 16 or 18 really able to stand on his own feet, or do we have to wait until he becomes 21? It is a rather difficult question. It differs from person to person, as the hon. member for York South (Mr. Lewis) said. But we all assume that at the age of 16 a person is still quite young and immature.

The second standard is the age at which a man's sexual development can be said to be formed. Medical evidence, according to the Wolfenden report, indicated that there may be a stabilization period at the age of 16 in the sexual development of a person.

The third standard is the definition of an adult as a person responsible for his or her own actions. As we know, we consider a person 21 years of age or over legally able to enter into a binding contract.

The fourth aspect is the consequences which follow the fixing of a particular age. The Minister of Justice, in his wisdom, fixed the age of 21 quite arbitrarily, probably because it is the legal age of contractual responsibility, and this may be the best possible age at which the maturity of a person is established. One would hesitate to say that a person is mature at the age of 16 or 18. There is greater possibility of that at the age of 21. These are the factors that have been taken into account by the minister, and I think he is to be commended for choosing the age of 21.

I could not help but smile when I heard some members of the Progressive Conservative party trying to make a distinction between a person 21 years of age and a person 20 years, 11 months and 30 days of age. A person who is 21 years of age or over commits no offence, while a person under that age commits an offence. The same rule would apply if the age was fixed at 16 or 18. If we fixed the age at 18, a person 18 or over would not be guilty of an offence but a person 17 years, 11 months and 30 days of age would be guilty of an offience. The minister arbitrarily chose the age of 21, I assume, on the basis that it is the age of contractual responsibility and also a likely age at which young people reach a stage of mature judgment.

The function of the law is to safeguard those persons who need protection by reason of their youth or some mental defect. Homosexuals who tamper with young persons under 21 years of age should be considered criminals. It is also a function of the law to preserve public order and decency, and therefore homosexual behaviour which takes place in public should continue to be dealt with by the criminal law. Let us make no mistake about the fact that new section 149A deals with consenting adults over the age of 21 who commit sexual acts in private.

I had hoped that the Minister of Justice would bring forward other procedural amendments concerning prosecution by way of indictment or by summary conviction and would have toned down some of the provisions so that they would be more in keeping with the practice and experience of the courts of the day. But I am satisfied that when we proceed to a total revision of the Criminal Code the minister will take these other factors, as suggested in my amendment which was ruled out of order, into consideration and that at that time he will make the necessary changes.

I hope that we as mature Canadians will be able to develop the idea expressed by the hon. member for Brandon-Souris that these people should have all the psychiatric help which can be provided. We must remember that many of them are very reluctant and sometimes not willing to accept psychotherapy as a treatment for this problem.

May I say in conclusion that I am opposed to the amendment put forward by the hon. member for Sainte-Marie (Mr. Valade). I am

very proud that we have a Minister of Justice who is attempting to update the criminal law of this country in light of the experience we have had in the past and that he is doing so in a spirit of reformation and rehabilitation with regard to offenders against that law. I think we are most fortunate to have such a Minister of Justice at this time.

Mr. F. J. Bigg (Pembina): Mr. Speaker, I wish to say a few words on this bill because of my previous experience as a law enforcement officer. I should like to compliment the minister on bringing forward the bill. However, I am a little disappointed in that I believe he should not have brought in any suggestion of partisanship. I compliment the minister on the bill which is entirely concerned with the reform of the Criminal Code. I am sure that every hon. member has just as much interest in it, if not the detailed knowledge and experience in the drafting of laws of the minister and the fine group of civil servants behind him.

I am not an academic. My work involved field experience, and we tried to use common sense. So I am a little worried about the effect on the general public which this amendment may have. We all appear to agree that homosexuality is repugnant to the average Canadian, regardless of what Kinsey says about it or what is done in Sweden or in England or in the House of Lords or in the Arabian army or anywhere else. As far as I can see, the same need does not arise in Canada with its fresh air and wide open spaces. We do not live in crowded quarters, nor do we live in the desert far away from our families. We do not even have problems of great wealth which necessitate love-ins, nor are we jaded. We live a normal, outdoor life. This is why the Canadian people, up to now at least, have found no need to loosen their moral standards.

I do not go into the political pow-wows of the nation any more than I intend the police to go into the bedrooms of the nation to find some deep and dark reasons for dragging forth this subject. As a policeman I never had any need to prosecute consenting adults because of their ideas of what is proper in the sexual act. Therefore this is an academic problem, and I do not think I am making an evil suggestion when I say that probably it has only been included in the Criminal Code as a measure to try to tidy up a loose end along with some other important and necessary changes to the Criminal Code.

This subject makes good copy because it has a bad smell and people want to get into the act. I can assure the house that at this stage of our development in Canada it is not a proper function of the police, nor do I hope it will be in the future. It is not important statistically. I do not think that this amendment or any other change to this part of the Criminal Code will do anything to improve the situation. I am sorry that this sort of thing goes on; I am sorry that human nature has its soft and weak side. However, I hope that if this change is made in the law we will let it go by as quietly as possible.

• (4:30 p.m.)

I hope we shall not in any way, either by calling names in the house or anywhere else, allow anybody in Canada to think that anyone in this chamber condones homosexuality in any of its aspects. I do not know whether we can help the 4 per cent or the 10 per cent or the 30 per cent who have come into contact with it at some point during their adolescence, or by misadventure.

It is up to us, generally speaking, to decide what shall be a criminal act and what shall not. Strictly speaking it is up to us to decide what is a private act and what is a public act, because there is a penumbra, an area where private acts could become dangerous to the public. It is up to us to decide. I do not think we can dispose of the problem merely by saying that what goes on in the bedroom is nobody's business outside the bedroom. Of course it could be.

As a former law enforcement officer I can state that there are certain things which go on which have to be investigated. I do not suggest we should put listening devices in every room. But there are cases in which people with well known aberrations and evil tendencies are allowed a first bite, like a mad dog. In the city of Winnipeg at one time a small boy was murdered in a coal yard. The police had every reason to believe they were looking for a sexual offender. The city police in Winnipeg told me at that time—I was involved in the search—that they had information about 300 known persons who might have been involved. In spite of the fact that it is not desirable to have people prying into the private lives of others, police forces must be alert to such problems. The police must not be so naïve as to believe that everybody is nice, that everybody is lovable, and that nobody would perform indecent acts or commit assaults on those who are young or defenceless or beyond reach of help. The

Marquis of Queensbury rules do not apply to these people for many reasons. They may be criminals or mental defectives, or they may be victims of bad habits.

This may sound like the expression of an over-active moral conscience. Well, the police, the Minister of Justice and all those in between must have a moral conscience. They have to talk about a moral conscience and they have to enforce a moral conscience even though they themselves, at times, may be guilty of lapses. As a traffic policeman at one time I had to enforce the traffic laws with regard to speeding—60 miles an hour in certain areas, 30 miles an hour in others, and so on. Traffic policemen, including myself, have been given tickets for these offences from time to time. If they are good policemen they pay them like the rest of the public and try to do better next time.

I think it is our duty when we speak in the House of Commons to suggest that there are moral standards in the nation, and that at times these standards should find their expression in our laws. As far as I know, those standards are the only basis for the criminal law.

I do not altogether understand those who say that because a law is unenforceable it should not be on the statute books. We run into this difficulty in connection with substances like marijuana. Marijuana can be grown virtually everywhere in the temperate zone. It can easily be procured. It is almost impossible to prevent its use. However, so far we have continued to make the use of marijuana illegal because, on the basis of our knowledge, it is not helpful to people to use it. We have concluded that on the balance of probabilities the little trip or lift that users get from it is outweighed by the effect on health, morals and behaviour. That is why some of us here would like to bring about control of this tendency which apparently is creeping into our society.

I do not like the idea of unenforceable laws, but if this is the only way of putting up a stop sign, the only way of telling our young people we do not agree with this kind of thing, then I believe a case can be made for such laws. They are a way of telling young people, when we, hopefully, have developed into grown up males and are beyond temptation ourselves, that certain things are against the law, even though the law may not always be enforced because in some cases it cannot be owing to the difficulty of obtaining evidence. In any case, our opinion about it has been expressed in the law.

As far as I know, in the 20 years I was a policeman no one was victimized as the result of the section of the code we are now discussing. I could be wrong; there may have been one or two occasions when somebody was sent to jail, but not to my knowledge. I would regret it if somebody spent a long time in jail as a consequence of this section. If so, the practice should be reviewed. But I really think that if we still believe this type of behaviour to be wrong some stop sign should be put up to say: we do not agree with this kind of behaviour. In any case we should make it abundantly clear that if this section is removed from the code we do not condone this type of behaviour in any way.

Finally, Mr. Speaker, if you will excuse my saying so at this time—I intend to speak only once on this Criminal Code legislation —I feel very much the same way with regard to the proposals concerning abortion. When it comes to saving a woman's life I think the doctor has the right to decide. Any doctor worthy of his practice has the right to decide as between the life of a child and that of the mother. But the practice could get out of hand, and if we ever reach the point at which the sanctity of human life is bandied about we shall have many reasons to regret it. Once a child is on its way it has the right to live, just as you and I.

The cogent argument I use for my own purposes is this: I look at my grandchildren and at my own daughters and ask myself, "Which one of these would I have the right to destroy?" Only one person I know would be competent to make such a decision, the doctor who is responsible for the care of my family. His knowledge is greater than mine and as far as I know he is the only man who should have the right to decide. That is the way I intend to vote. I shall give that right to the man I trust. After all, when I send a member of my family to the operating room I trust in the judgment of the doctor. That is why I engage him and entrust my wife or child to his care.

These standards have been maintained for a long time. Like others in this house, I inherited mine from my parents who in turn received them from their parents. I suppose, as hon. members have suggested, that they go back ultimately to the Judaeo-Christian ethic. That ethic may be out of date today in the minds of a lot of people as far as I am concerned it is still the finest standard by which we ought to set our conduct. I believe it is the pattern for much of our whole Criminal Code

in the first place. "Thou shalt not kill" is the basis of our murder law. "Thou shalt not steal" is the basis of our property law. To say that modern society in its enlightenment can throw all this overboard is a grave error. What would be our reference point if we did not rely on the judgment of the past?

• (4:40 p.m.)

I was not a member of the committee and I wish I had been, but if the committee has not produced any historical evidence that immorality corrupts the human spirit, which in turn corrupts the human mind and in turn destroys the human body itself, then I think the committee should sit again. From the short experience I have had I have been convinced that this is the chain of events; that when a man dies in his spirit it is not long before he dies in his body. If the state has the right to protect his body, it has an equal right to protect his spirit, to help maintain those standards of good behaviour and good morals, so far as we can agree on what those morals are, in order to lead him and succeeding generations into the future.

[*Translation*]

Mr. J. A. Mongrain (Trois-Rivières): Mr. Speaker, I shall be brief.

I have listened to several speeches and I have read several statements which have been made on the subject. In my opinion, some things need to be put straight because there has been an obvious misrepresentation of facts and, in some cases, there is evidence of self-righteousness. It appears that some people want to make it seem that those who intend as I do to support this bill, approve of immoral practices, which is not in keeping with the facts. Therefore, explanations are required.

For example, an hon. member made this statement earlier in the debate and I quote:

I have the approval of 100 per cent of the people, at least in my riding and in the rest of the province of Quebec.

Mr. Speaker, the one who said that is the hon. member for the constituency next to mine. I go through his constituency from time to time and I must say that he does not have the support of 100 per cent of those people. I would not dare give the percentage of those who do support him, but I say it is surely smaller.

It has often been said also that the object of this bill is to legalize homosexuality. That is not true. Homosexuality in itself is still unlawful. It is but one aspect of the question.

[Mr. Bigg.]

It was so well explained by others having more authority than I do in this matter that I would not like to stress that point further.

But Mr. Speaker, I should like to narrow the question down to its essentials and also put some order in the minds of those who claim to have all virtues and who delight in making all kinds of innuendoes at those who support the bill, in imputing them all kinds of bad motives and in casting doubts about their respect for morality.

I should like, with your permission, to quote an article that was given to me by my colleague from Madawaska. It deserves, I believe, to be quoted and to be recorded in *Hansard*, for it shows in a very eloquent way the attitude to be adopted by a legislator whenever he legislates upon matters dealing with moral questions. I am quoting here from *L'Eglise de Québec*, a publication formerly entitled *La Semaine Religieuse de Québec* and published by the Quebec diocese. The article was written by a group of theologians from Laval University. Therefore, it should meet with the requirements of conscience, at least in the case of those who, like me, are Catholic.

I quote:

The bill known as omnibus bill, has been introduced in the Canadian parliament. Discussions on certain clauses of the bill, especially those concerning homosexuality and abortion, have sometimes given rise to uncompromising stands that cannot be ascribed to Catholic ethics.

I repeat those words, Mr. Speaker:

—have sometimes given rise to uncompromising stands that cannot be ascribed to Catholic ethics.

And further on:

Therefore, it seems advisable to recall a few elementary facts about the appreciation of a civil law.

1) Civil law is directed towards the political commonweal.

We are not theologians. Those last words are mine, but I now go on with the quotation:

Of course, it must draw its inspiration from the basic imperatives of natural law; but it cannot adapt itself to it to the extent of governing everything that comes under it or of forbidding everything that is against it. In other words, the political commonweal does not demand that every moral fault be considered as an offence under the law.

Those are theologians speaking, Mr. Speaker, and they further state:

Thus, for instance, the State does not consider adultery as a crime, although it is still an injustice besides being a form of lust.

2) It is also necessary to stress that this so-called permissive law may be preferable to a restrictive

law if, thanks to it, it is possible to better promote the commonweal while respecting the various religious beliefs, opinions, mentalities and customs. It is self-evident that one could not consider such a law as a moral approval of the behaviours it allows. One can certainly not accuse Saint Augustine of having promoted prostitution. He stated however that in his days, the political rulers would have been unwise to forbid it.

3) The legislator must take into account the pedagogical aspect of the law.

However, that educational role must be adjusted to some extent to the moral level of the people. In this respect, the habits and rules of behaviour of a given civilization must be taken into account. Besides, this principle applies to every form of education.

When legislating for a population of 21 million, divided into ten provinces where various religious persuasions are found, opinions vary of necessity on matters the government itself does not have to settle.

I now resume the quotation:

4) The citizens do not all agree in matters of moral standards. The legislator is not legislating for a specific group but for the political community as a whole. It follows that, on behalf of the Catholic conscience, one can reprove a specific moral behaviour while admitting the merits of the legislation that tolerates it.

And I say again what I have already said in this house: I do not feel it would be right for me to impose my religious beliefs on anyone else in Canada.

To go back to the quotation:

5) Catholics, as much as any other citizens, have the right and the duty to exert pressures that the laws might reflect as much as possible the values they consider fundamental for the protection of the commonweal. But, in so doing, they must not fall prey to sectarianism and intolerance.

Mr. Speaker, since the beginning of the debate, we have heard all kinds of things concerning sectarianism and intolerance. Open or veiled charges have been brought against those who are not opposed to the bill.

• (4:50 p.m.)

I suggest that some of these charges are absolutely untrue. For instance, it was said that abortion and homosexuality were being legalized. That is not true. Quite special, exceptional and marginal cases are involved, under very specific circumstances.

Mr. Fortin: That is not true.

Mr. Mongrain: Mr. Speaker, some people went even further: during the last electoral campaign, it was intimated that the leader of the government himself could be depraved, because he advocated such a bill. It seems to me that that is in full contradiction with the religious principle, acknowledged by all faiths, namely that charity is the first duty of those who boast of their religious principles.

Mr. Speaker, after reading the evidence prepared by theologians who do not belong to the lesser breeds, and published in an official review of the diocese of Quebec, let them give up that kind of religious demagoguery, shot through and through with the most odious type of intolerance, and inflicted upon us since we started to discuss this bill; we should realize that as legislators, we should neither hear confessions nor judge.

Some day, the Creator will do all that, He who looked into the heart of Man. Our function lies in making laws, according to common sense and to the rules that have just been set by Catholic theologians and theologians from other religions, who as much as say that this bill does not go far enough.

I think it is important that this be put on record.

Mr. Stewart (Cochrane): Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Cochrane (Mr. Stewart) is rising on a point of order.

Mr. Stewart (Cochrane): Mr. Speaker, this debate is getting too long. Obviously, everything that can be said about this amendment relating to homosexuality has already been said.

We hear hon. members repeating the same arguments over and over, and if all members could co-operate we could perhaps carry on with another amendment.

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, first I wish to thank my colleague from Calgary North (Mr. Woolliams) for sponsoring in my absence the amendment I had introduced, because I had to undergo some medical examinations. I want to thank also the hon. members from this side of the house who supported my amendment.

The amendment I am moving is very simple, Mr. Speaker. Its purpose is merely the deletion from the omnibus bill, of section 7 which deals with homosexuality.

I would not want my proposal to be understood by some government members and particularly the hon. member for Trois-Rivières (Mr. Mongrain) who has just resumed his seat after presenting so eloquently a religious principle, and after having accused the opposition to take refuge behind religion, he himself—

Proceedings on Adjournment Motion

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

Mr. Valade: —Mr. Speaker, the hon. member said that we were taking refuge behind—

The Acting Speaker (Mr. Béchard): Order. The hon. member for Trois-Rivières is rising on a question of privilege.

Mr. Mongrain: I would like to make a correction, Mr. Speaker. I quoted the opinion of theologians but I did not express mine. On the opposition side, they quoted opinions of improvised theologians.

Mr. Valade: Mr. Speaker, I was simply referring to what the hon. member for Trois-Rivières said about an article issued by Catholic theologians. He read it. He was taking refuge behind it. He was accepting the article or rejecting its contents.

As he used it to correct some allegations of the opposition, we can suppose that he sincerely believes that this religious article is well founded and wants to take refuge behind it.

I do not want to take such an uncompromising stand as that which he denounced, and become myself a cause of error, though I have before me theological opinions diametrically opposed to those just expressed by the hon. member for Trois-Rivières (Mr. Mongrain) in his brilliant and eloquent plea for the bill under consideration.

In my opinion, besides being untimely, Bill C-150 cannot be justified in the present circumstances, because it tends to allow adults to commit an act which, under the Criminal Code, is now considered illegal. The government asks us to pass such a bill with a view to legalizing an act committed in private between two persons of the same sex.

My colleague from Trois-Rivières shakes his head; however, if the hon. member has difficulty in understanding the case, he can refer to the answers that were given a while ago by the Minister of Justice (Mr. Turner) in reply to our questions, although his remarks seemed a little foggy.

Mr. Speaker, such an amendment is certainly out of place in a parliament and in a society like ours.

In his remarks, the hon. member for Trois-Rivières has said that the State, when legislating, should take into consideration the customs and the ways of life prevailing among the members of the community.

I do not know, Mr. Speaker, that in our society the morals or manners of people are

showing homosexual tendencies and warrant the proposed amendment.

The hon. member for Trois-Rivières spoke about intransigency, sectarism and intolerance. I could retort to him, in front of a minister who is sitting now in the house, that the Liberal party itself has indeed displayed racial sectarism and intolerance towards the leader of the Conservative party in a speech he made in the Quebec Coliseum, during the last election campaign. But I shall come back to this later.

For the time being, I shall rather confine myself to the amendment proposed by the Minister of Justice.

When we agreed on the motion for second reading of the omnibus bill and its referral to the committee on justice and legal affairs it was understood that the hon. members of the opposition and all the members of the committee would be entirely free to air their views, to bring in amendments, to call witnesses in order that every part of the bill and every amendment which would be proposed could be studied thoroughly.

Unfortunately, Mr. Speaker, some arrangements made at the outset of the committee meeting prevented hon. members of the opposition from calling witnesses, together with specialists on the question. We were prevented to present amendments. And when asking hon. members for a free vote on those amendments—

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): Order, please. It is my duty, pursuant to Standing Order 40, to inform the house that the questions to be raised at the time of adjournment tonight are as follows: The hon. member for Halifax-East Hants (Mr. McCleave)—Housing—C.M.H.C.—Criteria applicable in projects; the hon. member for Fraser Valley West (Mr. Rose)—Housing—extension of loan forgiveness provision on municipal projects; the hon. member for Cape Breton-East Richmond (Mr. MacInnis)—Industry—Devco—compulsory retirement of miners.

The time being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, private bills, notices of motions (papers), public bills.

Mr. Howard (Skeena): Mr. Speaker, we have had some discussion on this matter. Hon. members who are interested in participating in private members' hour do not object, if there is unanimous consent of the house, to proceeding with item No. 1 under private bills, namely, consideration of the report stage and subsequent by third reading, if that should come about, of Bill S-16, to incorporate Transcoastal Life Assurance Company. I do not think we will need more than a few minutes to debate it. After that we could go back to the normal order of business and consider notices of motions for papers.

The Acting Speaker (Mr. Béchard): Does the house agree that we proceed in the order suggested by the hon. member?

Some hon. Members: Agreed.

PRIVATE BILLS

TRANSCOASTAL LIFE ASSURANCE COMPANY—REPORT STAGE

Mr. D. Gordon Blair (Grenville-Carleton) moved that Bill S-16, to incorporate Transcoastal Life Assurance Company, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion (for concurrence) agreed to.

The Acting Speaker (Mr. Béchard): When shall the said bill be read the third time?

Mr. Knowles (Winnipeg North Centre): Maintainant.

Some hon. Members: Agreed.

Mr. Blair moved the third reading of the bill.

Mr. Frank Howard (Skeena): Mr. Speaker, before the formal motion is put to the house may I be permitted to say a few words about this bill. This company is one which, by virtue of the construction of the bill and by virtue of a decision of the company, will become a Canadian owned company within a certain period of time in conformity with the provisions of the insurance act. The position taken by the company is in agreement with the position we in this party have been taking for some time in this house, namely, that companies which seek to become incorporated in Canada to do business in Canada should become Canadian companies in the full sense of the word. In other words, they should be Canadian owned.

• (5:00 p.m.)

To those seeking to have similar companies incorporated during this or subsequent sessions and to those who are sponsoring them, I commend the evidence before the Committee on Finance, Trade and Economic Affairs when they considered this bill in detail. There are some declarations in it which are highly commendable. They expressed their feeling about Canada, as did the witnesses who appeared on behalf of the company. If other companies would take a similar course, ease of passage through this house would be almost guaranteed. This is our hope and objective. I am sure that in the theory no one disagrees with this. It is just a matter of trying to put it into practice.

We in this party believe the real mark of good Canadian corporate citizenship for companies wanting to do business and make a profit in Canada is for them to become fully Canadian owned.

The Acting Speaker (Mr. Béchard): Is it the pleasure of the house to adopt the said motion?

Motion agreed to and bill read the third time and passed.

MOTIONS (PAPERS)

HARBOURS

ROBERTS BANK, B.C., DEVELOPMENT

On the order:

Mr. Rose—That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all correspondence, memoranda and other communications received by any member of the administration and prepared by any person in the Public Service of Canada since January 1, 1967, relating to the joint federal-provincial development of the Roberts Bank port in British Columbia, including any railways connected thereto.

Mr. Howard (Skeena): Mr. Speaker, I have been in discussion with the hon. member for Fraser Valley West and on his behalf I ask consent to withdraw this motion.

The Acting Speaker (Mr. Béchard): By consent, the motion is withdrawn.

Order discharged and motion withdrawn.

[*Translation*]

JUDGMENTS OF THE SUPREME COURT OF CANADA

Mr. André Fortin (Lotbinière) moved:

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a return showing, since the Supreme Court of Canada was instituted (a) the number of judgments rendered by judges whose mother tongue was French and, of those, the number of judgments rendered (i) in French (ii) in English (b) of the judgments rendered in English by judges whose mother tongue is French, the number of judgments respecting Quebec (c) the number of judgments rendered in French by judges whose mother tongue is English.

Mr. Cantin: Mr. Speaker, I rise on a point of order.

I respectfully submit that this motion should be declared out of order because by merely reading it, one can see that the hon. member is trying to get statistical data which are already available.

The judgment referred to are available and anyone can compile them. All the information requested by this motion are public documents.

Therefore, a motion of this kind could be made only in the case where a document would not be public, and if it should be made public, a motion would be needed.

For this reason, I submit this motion should be declared out of order because everyone knows that the Supreme Court judgments are published and therefore, public. If the hon. member wants to bring statistics together, he is welcome to do it. In fact, anybody can do it, since this statistical information is official.

I therefore maintain that this motion must be declared out of order.

The Acting Speaker (Mr. Béchard): As the Chair is not aware of the precedents upon which the hon. parliamentary secretary bases his comments regarding the admissibility of that motion, I should like him to state them in order to enlighten the Chair.

Meanwhile we shall go on with the debate.

Mr. Fortin: Thank you, Mr. Speaker.

After that long and laborious debate which must lead to the passing of the omnibus bill, I think that hon. members can still use their privilege and ask the government for information.

I am glad I presented that motion to throw light on the Supreme Court, on its relations with the provinces, especially the province of Quebec, and to determine whether the Supreme Court is faithful to the image of Canada, as we would like to see it, that is a bilingual country.

Mr. Speaker, many things occurred since January 15, the date on which that motion was presented. In fact, on that day, the Minister of Justice (Mr. Turner), who is now piloting the omnibus bill, suggested that this notice of motion asking for certain information on the bilingualism or unilingualism of the judges of the Supreme Court was actually a request for statistical data.

Moreover, what the parliamentary secretary has just said shows that I was right.

Mr. Speaker, I humbly believe that the minister as well as the parliamentary secretary are imputing motives to me.

If I wanted some statistics Mr. Speaker, I would ask the Dominion Bureau of Statistics. Supposing that I was looking for such data—the minister is once again imputing motives to me—I would not do so for the sake of freely disposing of them, because I would then be wasting the time of the house, the minister, his parliamentary secretary and his officials, as well as mine, a precious time in all cases.

That is why I will be careful not to gather useless statistical information. On the contrary, I am most anxious to determine to what extent the Supreme Court, at first sight an untouchable and unassailable institution, is one where bilingualism is honoured or whether its attribute is rather unilingualism.

Therefore, it is not a matter of statistical data, but of an essential principle of today's Canada, respect of bilingualism.

If I had sought statistical information, Mr. Speaker, I would have asked how many judgments have been rendered in French and in English, and how many judges of the Supreme Court spoke English only and how many of them had French for their mother tongue. Then, the minister would have given me the information, and I would have thanked him. What would have been gained? Nothing!

I want to know, Mr. Speaker, what influence the Anglo-Saxon language exerts on the Supreme Court, and Anglo-Saxon laws on the provinces, with regard to bilingualism.

• (5:10 p.m.)

Had I been provided with answers, Mr. Speaker, I would have had statistics enabling me to decide to what extent the English is used as compared with French. Then I could

have formed an opinion which, anyhow, would not have accurately affected the practical reality of bilingualism in the Supreme Court. That is why I am asking whether the judgments have been rendered in English or in French and whether the mother tongue of the judges concerned was French or English.

My primary concern, Mr. Speaker is to ascertain whether French and English are on the same footing in the Supreme Court. Secondly, whether the judge whose mother tongue is French must always give precedence to the English language or whether it is the opposite. Thirdly, which is the working language at the Supreme Court? I do say the working language and by that I mean the language used for writing and for every day work.

What I want to know is whether both languages are used at the Supreme Court or is there any discrimination against one or the other? In other words, are both official languages treated alike there? And in order to know that, Mr. Speaker, I am asking the Minister of Justice by way of this notice of motion for production of papers to tell us to what extent the judges whose mother language is French are free to work in their own language and whether they have sometimes to conform, to the British traditions?

I know, Mr. Speaker, that the Minister of Justice is well enough aware of it to acknowledge that the distinction I am making now is in keeping with my first purpose which was not just to get figures or statistics, but rather to ascertain whether the Supreme Court is a genuine bilingual organism, which I seriously doubt.

On the eve of passing the bill on the official languages and following the publication of reports of the Royal Commission on bilingualism and biculturalism, it seems to me normal and essential that the house be allowed to know whether bilingualism exists or not in this federal institution, the Supreme Court.

This is an Anglo-Saxon stronghold, Mr. Speaker, and I do think that the reason why the government does not want to supply us with those documents is that they do not want the Canadian people to know that the Supreme Court is an Anglo-Saxon bastion. In addition, Mr. Speaker, the House of Commons has never inquired (*enquérie*) in all its history about the status and use of French and English at the Supreme Court.

Hon. Jean Marchand (Minister of Regional Economic Expansion): Not "enquérie", but "enquise".

Mr. Fortin: Never in all its history, Mr. Speaker, has this august assembly inquired, never has one single member inquired about what was going on at the Supreme Court in respect of bilingualism. This has been confirmed to me, for the information of the would-be Minister of Regional Economic Expansion, by the House of Commons Distribution Office.

Mr. Marchand (Langelier): Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Béchard): Order. The Minister of Regional Economic Expansion on a point of order.

Mr. Marchand (Langelier): On a point of order, Mr. Speaker.

When one speaks in defense of the French language, it might perhaps be more suitable to use it properly. It was "enquis" and not "enquéri" that was the right term.

Mr. Fortin: I am sorry, Mr. Speaker, I did not get what the minister said. Could he repeat his remarks?

Some hon. Members: He gave you a lesson in French.

Mr. Fortin: Mr. Speaker, everyone concerned recognizes that the Supreme Court of Canada is mostly Anglo-Saxon—I will prove it later—and that the room left to the French language is very small, if not non-existent.

Furthermore, Mr. Speaker, the French-speaking civil servants at the Supreme Court do not work in their mother tongue, but in the other language.

Has there been any one case where the defendant could have had justice done to him in his own language? Is that true or not?

Insofar as the appointment of judges is concerned, does it involve the "language" factor? If so, to what extent?

When someone's services are required at or when he is appointed to the Supreme Court, if he is English-speaking or French-speaking, is it required from him that he be bilingual?

These are all questions related to the motion before us and which I consider essential, particularly in view of the constitutional review expected to take place soon. It is most important, Mr. Speaker, that we know the answers to those questions.

Judgments of the Supreme Court of Canada

And just to prove that what I contend is not unfounded, I will put on record some quotations to illustrate that we do no wish to compile statistics, but to warn the government, or the hon. members of all parties, in order to improve that situation so that these two languages will be treated on an equal footing.

Mr. Jacques-Yvan Morin, professor at the Law Faculty of the University of Montreal, wrote in the September 1967 issue of the *Revue du Barreau canadien* an article entitled:

"Quebec and Constitutional Arbitration: From Scylla into Charybdis."

I shall now quote a most interesting excerpt from the above:

However, there still exist today cases where minority ethnic groups must, to settle their differences with the majority group, appeal to courts of justice that are established and appointed by that majority. All relationships of political subjection, colonial structures for instance, have given rise to such situations. Many examples could be mentioned of conquered people, more numerous even than the population of the metropolis, seeing their laws and their institutions brought under the control of foreign courts and subjected to their interpretation methods.

Mr. Speaker, I shall mention a concrete case to show how French-speaking people are being treated and what is the working language in the Supreme Court.

Anyone interested in judicial and constitutional matters knows that Mr. Morin is an expert in that field. He stated and I quote:

There is no certainty, for example, that French-Canadian judges appointed by Ottawa since 1875, on the whole, have, to any substantial extent, departed from the lines adopted by their English colleagues. This is in no way an attempt to cast doubts on the intellectual qualities of the ten French-Canadian jurists who have sat on the Supreme Court since that time—

It is worthy of note that the above was written in 1967 and that few French-Canadians have been appointed to the Supreme Court, Mr. Speaker.

—on the Supreme Court since that time and have been most of them excellent law technicians, but it must be noted that they were slaves to the system. We understand their position better as soon as we know that in most decisions on constitutional matters French-speaking judges draft their judgments in English. Mr. Justice H.-E. Taschereau, although a strong opponent of confederation during the 1865 debates, drafted 33 of his decisions out of 35 in English; Mr. Justice P.-B. Mignault, 17 times out of 19; Mr. Justice D. Girouard, all his decisions; Mr. Justice L. Brodeur, 17 times out of 20; Mr. Justice T. Rinfret, 28 times out of 35.

[Mr. Fortin.]

• (5:20 p.m.)

Mr. Speaker, in my opinion, this proves beyond the shadow of a doubt that I am not simply looking for statistics since at the present time some very conclusive, although incomplete, information is available. I want the Department of Justice to see to it that the Supreme Court which is a fundamental body in a federative system, reflects the image of Canada.

We do not want to impose our views to the English-speaking people nor subject them to discrimination but we simply want them to understand that our linguistic rights are equal to theirs in the Supreme Court of Canada.

Mr. Speaker, we have no grudge against English-speaking judges because they are competent. However, the fact that up to 1967 only ten French-speaking judges had been appointed to the Supreme Court since its establishment, is an example of discrimination because there are certainly more than ten French Canadian judges competent enough to be appointed to the Supreme Court.

Besides, Mr. Speaker, this is the worst kind of discrimination if French Canadian judges on the Supreme Court cannot draft their judgment in their mother tongue but that, as in over 85 per cent of the cases, they should do it in the other official language.

Mr. Speaker, it is important in my opinion not to deal lightly with this matter and the house should give it its undivided attention.

By raising that question, Mr. Speaker, I do not mean to offend anybody. I am not alluding to anyone in particular, even not to the Prime Minister, his assistants or his colleagues who are making efforts at the present time in order to ensure respect for the principle of bilingualism.

We are paying millions now for the drafting of the report of the royal commission on bilingualism and biculturalism. And when this commission will publish its report on public service, there will not be a single word—I know it from a usually reliable source—about the public service as a whole.

That is why I have to put questions on the order paper in order to know to what extent the French language rights are being respected in the different federal departments and whether French Canadians are adequately represented. Now, Mr. Speaker, we want to obtain the same information with regard to the Supreme Court.

Mr. Marchand (Langelier): Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Béchard): Order. The hon. Minister of Regional Economic Expansion on a point of order.

Mr. Marchand (Langelier): Since I was once a member of the royal commission on bilingualism and biculturalism and since I know very well that bilingualism in the public service is one of the subjects that will be dealt with, I wonder what are the grounds of my hon. friend for saying that there will be no reference to it in the commission reports.

Mr. Fortin: Mr. Speaker, I am very glad that the hon. minister is asking me such a question.

My reliable source was precisely the hon. minister himself, and I wanted him to admit that the commission would deal with that subject. I thank the hon. minister and I am very happy Mr. Speaker, to have the assurance that the Royal Commission on bilingualism and biculturalism will deal with it.

I should like to quote the words of Mr. Morin in this regard. They will give us food for thought; we should, as parliamentarians, look fully into the matter.

I quote:

However, any constitutional arbitration system—

the expression and the problem are fashionable these days.

—which would result in systematically subjecting Quebec to the decisions of a court whose members would in the majority be English-Canadians or appointed by the central government could not win the confidence and the support of Quebeckers, as the statements we have mentioned indicate. It is pointless to object that all States, even souvereign States, now accept that their disputes be taken to court for, in that case, the judges or arbitrators almost always represent third parties, whereas in the present Canadian system—

This is fundamental, Mr. Speaker.

—the central power is at one and the same time judge and party. Nor can one claim that this question is of little importance, as the advocates of the *status quo* sometimes maintain; just imagine what the reaction would be in federal quarters if the provinces appointed all the judges of the Supreme Court.

Mr. Speaker, there would be a general outcry. All ministers and hopefuls would say that the provinces have no say in the matter, that this does not fall within their jurisdiction; yet the provinces are judged by the Supreme Court.

I bring my remarks to a close with these words:

Canadian constitutional arbitration, as it exists at the present time—

Mr. Morin's judgment is most severe—

—drags all sorts of remnants of the Victorian era and of British colonialism; it makes Quebec dependent on the central authority which has gradually replaced the imperial power. Any jurisdictional system that would claim to perpetuate such a situation would be a constant source of tension, and even of division, between Quebec and the Canadian federation.

Mr. Speaker, it is not only Mr. Morin who is interested in this question. There is also Mr. Jacques Brossard, a professor at the Institute of Public Law at the University of Montreal. He has also studied the evolution of the Supreme Court and all the cases brought before it. He reaches the following conclusion, published in "*Le Québec dans le Canada de demain*", a most objective work published in Montreal, at les Editions du jour in 1967. Mr. Brossard said the following, and I quote:

The jurisprudence of the federal Supreme Court has proved, on the contrary, inasmuch as this Court was free to judge according to its own tendencies quite favourable to the federal State.

Its first judgments were centralizing. They remained so inasmuch as the weight of the jurisprudence of the Judicial Committee did not compel it to take into account the balance required by federalism—

• (5:30 p.m.)

The Acting Speaker (Mr. Béchard): Order. I am sorry to interrupt the hon. member but his time has expired.

Mr. Fortin: Mr. Speaker, only one more minute, with the consent of the house.

The Acting Speaker (Mr. Béchard): Is it so agreed?

Some hon. Members: Agreed.

Mr. Fortin: Mr. Speaker, it is useless to go on quoting Mr. Brossard since he merely bears out Mr. Morin. In my opinion, all members have understood the point.

Before concluding my remarks, Mr. Speaker, I would like to put forward a proposal to prove that the motion could actually be adopted and that something similar already exists.

Members who practise law are perhaps aware of the existence of the Jackett charter concerning all the judgments rendered by the Privy Council.

Mr. Speaker, in that charter, one finds in one column all the judgments and in another, the year in which the case was heard. In another column, appears the name of the

judge and in each case, the section of the act concerned.

For the purpose of the present motion, Mr. Speaker, I suggest that such a charter should be used, but with the addition of a column indicating the mother language of the judge and another one showing the language in which the judgment was rendered. Then, one could see, Mr. Speaker, that the Supreme Court is really an Anglo-Saxon body. Therefore, the greatest possible number of parliamentarians and citizens should take an interest in the matter so as to improve the situation of bilingualism at the Supreme Court.

Mr. Speaker, to conclude my remarks, I want to say that I would highly appreciate it if the minister or his parliamentary secretary would agree with the government assent to produce these documents.

If the minister is willing to keep a gentleman's agreement, I would be prepared to withdraw this motion. If he says that it is too tedious a task to go right back to 1867, let him do the same research for the last ten years, for instance. This would show us whether bilingualism is complied with or not.

Mr. Speaker, those are the positive suggestions I make to the minister's parliamentary secretary, in the hope that they will receive favourable consideration and that we will know soon if the Supreme Court is a reflection of Canada or if it will remain an Anglo-Saxon preserve.

Mr. Marchand (Langelier): Mr. Speaker, I have no intention to discuss the merits of this debate.

The hon. member for Lotbinière spoke about two things. He spoke about the use of French at the Supreme Court of Canada and then he spoke at length and with relevance, specially in quoting Mr. Morin, about the constitutional status of the Supreme Court, which is a different matter, a very important matter indeed, but which has nothing to do with the motion he himself put on the order paper.

However, we will perhaps have an opportunity to discuss this later. I will only make a few comments on the use of official languages at the Supreme Court.

I think the hon. member is right to be concerned and to enquire about the use of both official languages at the Supreme Court of Canada. In my view, however, his request is not very reasonable and I am not saying that because I am afraid that some startling things might be unveiled.

[Mr. Fortin.]

Mr. Speaker, I agree that the language used in 90 per cent or more of cases, in the Supreme Court, is English. I would be surprised if my presumption were not confirmed by facts because it is not a question of concealing anything.

I merely claim that the government is asked to do a useless task when a royal commission on bilingualism and biculturalism has inquired into all aspects of bilingualism within the public service commission and courts of justice. As soon as we have the results of that inquiry, we will be in a position to take any remedial action that is required.

In my opinion, the motion calls for useless work. If it were acted upon, it would only disclose what everyone already knows. I fully agree with what the hon. member said. That would serve no purpose at all.

With regard to recommendations for improving the situation, I think we can wait for the publication of the report of the royal commission on bilingualism and biculturalism; thus, we will be in a better position to correct a situation which I find deplorable.

[*English*]

Mr. Frank Howard (Skeena): Mr. Speaker, as I understand it, by proposing this motion the hon. member for Lotbinière (Mr. Fortin) is seeking to establish whether the Supreme Court is a bilingual or some other kind of court. I think the hon. member answered that question himself, as did the minister to an extent, when he classified it as an Anglo-Saxon court. I believe we, in Canada, have always considered that the Supreme Court is there for the purpose of dispensing justice, and not for reflecting the language nature of the nation or any part of it. We have always required that appointments to any court be on the basis of the ability of the individual appointed, and not whether he has a certain language as his mother tongue or is able to speak more than one language with any degree of fluency. I believe that ability, and not linguistic origin, should be our concern with regard to the Supreme Court.

We had a parallel situation not too many years ago when a proposition was put forward by a previous administration regarding an inquiry into Indian affairs, and the appointment of Professor Hawthorn from British Columbia as the head of the commission of inquiry. This was partly because Professor Hawthorn had in earlier years undertaken another study of an aspect of Indian affairs. Regretfully, the proposal for that study had to be postponed because there developed

within the cabinet a demand, so-called, for bilingualism. As a consequence, we ended up with the Hawthorn-Tremblay commission being appointed, on the basis of one man being of French origin and the other of English origin. I think that was really ridiculous, because either one of those gentlemen would have done a credible job by himself within the terms of the inquiry. But here was a situation in which recognition was given to the demand for the commission to be of a bilingual nature. So far as I am concerned, this did not enhance the position of the commission one bit.

I believe the gentleman concerned was Professor Tremblay. If I have misnamed him, I apologize. He, Professor Hawthorn, or any one of a number of people could have done a job comparable with the job that was done. I think that for us to start involving ourselves in the Supreme Court and our court structures, which are there for the purpose of dispensing Justice, being fair and interpreting laws for us, by attempting to intimate that the selection of the members of the court should be influenced by the factor of bilingualism, would simply be catering further to the exploitation of either language such as has occurred with certain political groups in this nation, not the least of which was Jean Lesage when he was premier of the province of Quebec.

To ask us to support this motion is, I think, simply asking us to give some further support to some concept of divisiveness within our nation over the matter of language and culture, when our purpose should be to think in terms of Canada as one entity and of people in Canada as Canadians regardless of their mother tongue or heritage. I would not support this motion because I think that by so doing, even looking at the imbalanced way in which it is constructed, I would simply be supporting the concepts of bigotry that are strong enough in our country without adding further fuel to them. I do not say this in any unkind way to the sponsor of the motion, but I think it might be just one more addition to those forces which are not out to unify us.

[*Translation*]

Mr. Jean-Charles Cantin (Parliamentary Secretary to the Minister of Justice): Mr. Speaker, I simply want to remind the house that the member has just drawn the conclusions of his own question.

He has made representations and, as he was reminded by the Minister of Regional Economic Expansion (Mr. Marchand), he is aware of the reforms now under way concerning bilingualism within the public service, and the Supreme Court of Canada.

I tend to believe that the information the hon. member is asking for would not only be useless but also unavailable at the present time and that one cannot expect public funds to be spent to compile statistical data for the sole purposes mentioned by the hon. member.

I will therefore ask him to consider withdrawing his motion since he knows that the Minister of Justice will certainly examine his representation. It would be sensible of him, I believe, to do so since we do not have the required information and therefore cannot provide it.

• (5:40 p.m.)

[*English*]

Mr. David Lewis (York South): Mr. Speaker, I want to say just a word about this motion. As hon. members know, my support of the bilingual character of Canada and the need to respect it is pretty strong. I have stated my position on a number of occasions. But I would like to suggest to the hon. member who placed this motion on the order paper that the kind of bilingualism he is talking about distorts the notion of bilingualism in Canada, and by distorting it may well do the whole subject a great deal of harm. Bilingualism in the courts of this country surely means only that people who appear in our courts, either as counsel or as citizens, can carry on their case in either official language. If it means more than that, then there will be a great many problems created in this country. If there is any compulsion that certain judgments, because they cover a certain area of the country must be written in French while others must be written in English, we will really be asking for serious trouble.

What should be available to the citizens of Canada is, in my and any other reasonable person's understanding of bilingualism, the right for counsel appearing before the Supreme Court of Canada to make their arguments in either official language and that members of the court should also be free to give judgment in either official language. I have read judgments of the court on cases which have come before it from Ontario and sometimes from British Columbia written by one of the French speaking judges of the court in his mother tongue.

The fact that a judgment is written in French—and it happens mostly in criminal appeals—and concerns an appeal from some

province other than Quebec or New Brunswick makes no difference. The freedom to write the judgment either in English or in French is what bilingualism means, and that relates as well to the freedom to present the case in either language. I hope that all the members of the court will understand either official language. This has been the case, in latter years anyway, in my experience. I have not appeared before the Supreme Court very often but it seems to me that the members of that court have been able to follow an argument delivered in either language, and certainly to read the factums in either language. That is what bilingualism means. To attempt to get information intended to enable someone to force judges to write their judgments in either one or the other language is not bilingualism but a kind of fanaticism that can only do harm to the unity of Canada and to the cause of bilingualism.

My colleague, the hon. member for Skeena (Mr. Howard) is absolutely right, in my judgment, that what should concern us above all about the Supreme Court of Canada or any other court is whether or not the appointee to that court will apply the law in a fair, just and objective manner. In order to achieve bilingualism in the court it has been the practice for a long time—I cannot say whether this has been the practice since confederation—to have English speaking members of that court acquaint themselves with the other official language. This has certainly been the practice since I have had anything to do with the courts.

I once had the privilege of knowing a judge of the court who later became chief justice of Canada and one of the best known jurists in the history of our country. I refer to Sir Lyman Duff. I learned from him that all members of that court found it desirable and necessary to acquaint themselves with the other official language so that the work could be carried out in a fair and civilized manner. The objective of the court can best be carried out by men who can mete out justice in a fair and equitable way, in accordance with the law, and who have the competency and ability to do so. There are men and women in the legal profession who can speak either language and who are fully qualified, whether they are French or English speaking, and who have the integrity and the training to carry out the extremely important task of a judge of the Supreme Court of Canada.

I repeat, however, that to require that only one language be used in certain cases and another language be used in other cases is divisive and harmful and cannot do the cause of bilingualism any good. It can certainly not do the cause of unity in Canada any good, but will create a great deal of division in this country and encourage an unfortunate backlash against the whole concept of bilingualism which has already occurred in the rest of Canada. It is one of the unhappy facts in the present situation in our country that certain events in some parts of the country have created a backlash against what over a year ago appeared to be accepted all across Canada. I say to the hon. member who put this motion on the order paper and to some other members of this house who are constantly harping on this subject in and out of season, when it is relevant and when it is irrelevant, when it is acceptable and when it is obviously not acceptable, that when they are doing this kind of thing they are doing the cause which they are trying to support a great deal of harm in the rest of Canada.

Some perspective has to be maintained toward this subject, and this motion goes way beyond any reasonable perspective that anyone can define. Therefore, I join the parliamentary secretary in pleading with the hon. member who sponsored this motion to withdraw it and not try to force this house to divide itself on this kind of subject. It is unnecessary, undesirable and not beneficial to the cause which he supports.

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I merely wish to take part in this debate to say a few words. While I do not agree with the motion as put by the hon. member for Lotbinière (Mr. Fortin), I have few words to say in disagreement with what has been said by the hon. member for Skeena (Mr. Howard) and also by the hon. member for York South (Mr. Lewis). The hon. member for Skeena said that the judges of the Supreme Court should be picked on the basis of their ability to efficiently render justice or make decisions; in other words on the basis of their ability to be competent judges. This statement was backed up by the hon. member for York South. Let me say that I do not see how a court or a judge can competently render justice if he cannot understand and read the language of at least one third of the people in Canada. I say this as a person who served on a committee of the junior bar association of Montreal. When I was on that committee we prepared a brief which we presented to the royal commision on bilingualism and biculturalism. We studied this

very issue and we found some disgraceful situations. We found that many lawyers in the province of Quebec who could barely speak and write in English were forced, when they came before the Supreme Court of Canada, to try to write their briefs in English. They were also forced to get English speaking counsel because they knew that in that court out of nine judges there were only three or four at the most who understood French. They were put to a much greater expense and to more trouble than the English speaking lawyers and litigants. Both the English and French speaking lawyers in the province of Quebec felt this situation was extremely unjust and objected to the fact that one language group in Canada could not go to a court and expect to have justice done to them when they presented their factums, their briefs and their arguments in their own language.

• (5:50 p.m.)

They could, of course, take a chance. They could plead in French and they could present their factums in French. But they could not be sure that these would be listened to and read by all six judges of the court. In order to take no chance of losing a case, they were forced to obtain English-speaking counsel if they themselves could not speak English well enough, and then go through the laborious exercise of having all their factums and arguments translated into English.

Competency in the law is, of course, a most important criterion for the appointment of persons to the Supreme Court, but surely in this day and age it should be possible for us in Canada to pick nine men who are not only good lawyers but who are also bilingual. If we cannot do this, or at least aim toward it, there must be something wrong with this country. I do not expect we could have nine bilingual judges overnight but certainly we could work toward this goal.

There is another problem which faces French-speaking Quebec lawyers who must deal with the Supreme Court. There are many precedents which they must consult in order to prepare their cases. They must read volume after volume and judgment after judgment printed in the English language. Judges should be permitted to give judgments in whichever language they wish, I agree, but I certainly think those judgments should be well translated in order that Quebec lawyers in consulting these many precedents, could read them in the French language. I entered this debate because I believe the purpose of the courts is to dispense justice and serve the people. Part of their competency lies in the effectiveness of their dealings with the people who are being served. And the people of this country are both English and French speaking.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, I take part in this debate on the motion presented by the hon. member for Lotbinière (Mr. Fortin) because it is a matter of principle. I have to say certain things.

However, I want to acknowledge the commendable effort of the member for Lotbinière, even if he failed, in the course of this debate, to call the members and the public's attention sufficiently to very real problems. Yet, he will have accomplished a lot by this simple gesture.

The Minister of Regional Economic Expansion (Mr. Marchand) and the parliamentary secretary to the Minister of Justice (Mr. Cantin) have given worthwhile reasons to induce the member for Lotbinière to withdraw his motion and I agree with them.

However, I would not vote against the motion of the member for Lotbinière for the same reasons or the same motives put forward by the hon. members for Skeena and York South (Messrs. Howard and Lewis).

With due kindness, I certainly do not want to cast reflections on those hon. members nor accuse them, because I know quite well that they, at least, do not have the same background as I have. Indeed, they have not lived in a more bilingual Canada for which, however, they are both longing. I think we are still far from the entente cordiale which we are all seeking as Canadians, and I think that they have just demonstrated, by their remarks, that we have not yet reached that stage.

Some hon. Members: Hear, hear.

Mr. Corbin: I want to talk quite charitably, Mr. Speaker. I repeat that I do not want to cast reflections on those hon. members. Their background is different from mine, but their remarks indicate, however, that there is much progress to be done. They may have misinterpreted the remarks of the member for Lotbinière who tried nevertheless to be rather fair. It is perhaps because of their susceptibility of English-speaking people that they felt they were being singled out and that they thought necessary to retort as they did.

Those are, Mr. Speaker, the remarks that I wanted to make.

[*English*]

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, we are talking about one of the great agencies of our country, the Supreme Court, which throughout its history has been a remarkably fruitful federal institution.

Like the hon. member for York South (Mr. Lewis) I have had the privilege from time to time of appearing in that court. Anyone who appears there knows that its proceedings are carried on equally in French or English, whether in writing or orally, and contrary to what was said by my hon. friend from Notre-Dame-de-Grâce (Mr. Allmand) the reports of the court are published in two languages.

It may be that because of the nature of our country not every judge who sits on that court is thoroughly bilingual, but it is a matter of common knowledge to those of us who live in the City of Ottawa that judges of that court make a very determined and valid effort to become bilingual.

What I am a little afraid of is that we in this debate, have fallen, perhaps unwittingly, into the trap of casting criticism on the court which is the head of the judicial system of this country and I do not think any of us would wish to do so. For this reason, I think this would be a most inappropriate motion upon which to divide the house.

Mr. Bell: Six o'clock.

Mr. Speaker: It being six o'clock, I do now leave the chair.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

GOVERNMENT ORDERS

CRIMINAL CODE

REPORT STAGE

The house resumed consideration of Bill C-150, to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act, and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

And the motion of Mr. Woolliams (for Mr. Valade):

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting therefrom clause 7.

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, when the house adjourned this afternoon, I was making some comments on how the committee had proceeded in order to study the various amendments proposed to the omnibus bill.

However, to back up my arguments, I would like to remind you of what the Minister of Justice said when he introduced this omnibus bill in the house for first reading a few months ago.

I am quoting him from memory. According to what he said, this was to be one of the most important legislation in Canadian parliamentary history. If this is the case, Mr. Speaker, we were entitled to expect that the members of the house would have the freedom to discuss all the aspects of the bill, both in the house and in committee.

We also hoped that we could call all the experts and witnesses necessary to collect the information which would enable members of the committee to form an opinion on the subject and to make really useful suggestions to the house.

Unfortunately, right from the first sittings of the committee, I found, to my disappointment, that a truly deplorable attitude was being taken which was creating a precedent with regard to the procedure to be followed.

We were informed that we would have the opportunity to test the efficiency of this new procedure which had been proposed and agreed to by the opposition. With this new procedure, committees would be able to consider the subject matter and the merits of each proposed amendment.

Unfortunately, the committee decided to expedite the matters that were referred to it by the house. Furthermore, we were informed that the time allotted to each committee member would be limited to a maximum of ten minutes, and that each party represented on this committee would be entitled to call upon two experts at the most. That meant that the

Liberal party and the Progressive Conservative party, could call two witnesses each, and the New Democratic party as well as the Ralliement créditiste, only one each.

If it was true, as the minister had stated when introducing his bill in the house, that this was one of the most important issues that parliament had ever had to consider, I found it rather strange, Mr. Speaker, that there were such limitations on the number of witnesses that could be called before the committee to give evidence on the various aspects of the bill. I refrained from attending the sittings of the committee in order to draw to the public's attention the manner in which the opposition parties' members were being forced to accept without reservations the instructions that the members of the Liberal party seemed to have received from the government.

In order to support this assertion, I should like, Mr. Speaker, to refer to the remarks made by the Liberal member for York East (Mr. Otto) in a letter addressed to his constituents, and I quote:

• (8:10 p.m.)

[*English*]

If I may paraphrase, the hon. member said he was disappointed in the committee system because committee members were told by the government exactly how to vote and had to vote exactly as the government told them to vote.

[*Translation*]

Mr. Speaker, such is the way hon. members on the government side approached the amendments to the omnibus bill that were put forward in the standing committee on justice and legal affairs.

I was anxious to make those opening remarks in order to put in its proper context the problem that faced hon. members who had been given the assurance, when they voted on the motion for second reading of the bill, that the question was meant to refer the bill to the standing committee on justice and legal affairs, where they would be quite free to examine thoroughly each of its clauses.

Now, Mr. Speaker, we are back in the house after having repeatedly tried to have the committee approve amendments that were completely sound and acceptable to the government.

For instance, I would like to refer to the amendment I had suggested, and that I intend to move again in the course of the debate, concerning the abortion clause and which is meant to discharge of any responsibility whatsoever a medical practitioner who might refuse to perform an abortion at the request of a female person or one of her relatives.

The Minister of Justice was kind enough to send me the text of another similar amendment which, according to him, was more in accordance with the legal terminology and more agreeable to the committee.

I therefore moved those two amendments, but neither one has been approved by the committee. Government members have voted unanimously against the proposed amendments.

Here again, Mr. Speaker—

Mr. Cantin: On a point of order, Mr. Speaker. In my opinion, we are not discussing abortion but a particular amendment that has nothing to do with it. I think the hon. member should stick to the amendment now under discussion.

When the house will deal with the amendment, the hon. member will then be able to refer to what happened in the committee, but that cannot be allowed at this time.

[*English*]

Mr. Hogarth: Mr. Speaker, I rise on a point of privilege. The hon. member suggested that members of the cabinet or of the government directed members of the Standing Committee on Justice and Legal Affairs as to how they ought to vote in that committee. That is just not so. I was a member of that committee and proposed many resolutions and amendments which were not accepted by the committee. At no time did any member of Her Majesty's Privy Council or of the government tell me how I ought to vote in that committee, and I resent as an affront to my personal privileges any suggestion that members of the committee were directed by anyone at all as to what motions they ought to propose in that committee or how they should vote. Anyone reading the proceedings of that committee will see that on many occasions the members of the committee were in conflict with the Minister of Justice (Mr. Turner) in regard to some of the matters that have been proposed in this bill.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Valade: Mr. Speaker, in connection with the question of privilege raised by my hon. friend whom, besides, I got to know very well during the sittings of the committee and for whom I have much consideration, I must tell him that my previous remarks about the instructions received from the government cannot be ascribed to me but to one of his colleagues, the Liberal member for York East.

I think that the hon. member should raise instead the question of privilege about his colleague, the Liberal member for York East, who made that comment himself in a letter which he is supposed to have sent—

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

[*English*]

Mr. Deputy Speaker: I recognize the hon. member on a point of privilege. I may point out that if the matter raised by the hon. member for New Westminster (Mr. Hogarth) did not constitute a question of privilege then, if the question the hon. member now wishes to raise, is the same, it cannot constitute a question of privilege. Unfortunately, having just come to the Chair I am in no position to pass judgment on the original point of order of the Parliamentary Secretary. I will however, hear the hon. member on a question of privilege.

[*Translation*]

Mr. Corbin: Mr. Speaker, the hon. member opposite says that the hon. member for York East is reported to have been instructed to vote as he was told in the committee. He tried afterwards to generalize by stating that all members, at least government members, were complying with those instructions. I deny such a remark, because when I vote in the house or in committee, I do it on my own without following any instruction.

Mr. Valade: I thank the hon. member for telling his colleague that he is wrong. As for me, I only read the letter which the hon. member for York East sent to his electors.

I will now return, Mr. Speaker, to the substance of the amendment which I moved and the purpose of which is to strike out clause 7 of the omnibus bill C-150, as introduced in the house.

Mr. Speaker, the reason for which I presented that motion is that the government bill is inconsistent.

First, the bill provides for the legalization of an act committed in private between two consenting persons of 21 years of age or more. It is added that when more than two persons commit an act of homosexuality, in private, they will come within the provisions of the law.

That is one of the obvious inconsistencies of the bill. The member for Trois-Rivières (Mr. Mongrain) accused us of being intolerant and strict, but the minister of Justice says that two persons who commit an act of homosexuality in private are not subject to the provisions of the law, and are not considered as criminals. However, if four homosexuals, in the same room, indulge in their passion, they will all be considered as criminals. That is where the law is illogical.

If the government really wanted to be consistent, could it not take the time to draw up a much more coherent piece of legislation? Consequently, I ask the hon. member for Trois-Rivières and the Minister of Justice why persons of 21 years of age and more, who commit homosexual acts in private cannot be regarded as criminals, while four persons known as homosexuals, holding membership cards in homosexual clubs, are?

Is that the intolerance we are accused of by the Liberal government? Is the government not hiding behind a law that I find absolutely hypocritical, Mr. Speaker, because, on the one hand, they claim to be liberal, to seek to create a new spirit and to give a new direction to homosexuals in Canada, and on the other, they consider as criminals four homosexuals present in the same room.

• (8:20 p.m.)

If the argument were to be carried to the limit, one should perhaps say—I see the minister smiling—that if one murder is committed it is legal, while if two are committed it is illegal; by the same token, if a young man smokes one marijuana cigarette it is legal, while if he smokes two it is illegal. It is the same kind of logic. That is the basis of the reasoning which the minister offers us.

I think that there is another thing which is still more illogical, inconsistent and utterly ridiculous. In this bill, the minister tells us a sexual act between man and woman, husband and wife in private is not considered a criminal act. Could one call a criminal the act committed in private by husband and wife? Is there anything more absurd, Mr. Speaker, than that list and that definition which the minister proposes in the bill before us?

We are also asked to make the act applicable to persons whose consent is given through fear or under threat. The minister knows very well or should know that when a male person takes advantage of another male in private, proof of threat or fear is very difficult to establish. How could the minister protect persons subjected to assaults by an homosexual pervert or prostitute? The government does not offer any remedies to such situations.

According to the bill, an insane or mentally retarded person is not aware of his actions. The offending person will however be liable to prosecution under the Criminal Code. But how will proof be established that there were only two persons in the room? How will it be possible to prosecute those who violate the provisions of the omnibus bill?

The Minister of Justice has not given any consideration to those aspects of the matter. His only wish is that the question be put as soon as possible. He wants to speed up the passing of this legislation which he considers progressive but which, in my opinion, is truly backward, considering our present society.

The government, Mr. Speaker, goes even further in its lack of logic; in the same bill it asks that be dealt with as a criminal any one who has consumed a certain quantity of alcohol and about whom the police can prove—

Mr. Cantin: I rise on a point of order, Mr. Speaker. The hon. member is once again straying from the matter under study at the present time, namely, clause 7. This is not the time for debating the matter of the breathalizer test. I believe the hon. member should limit his comments to clause 7.

Mr. Valade: Mr. Speaker—

[*English*]

Mr. Deputy Speaker: Does the hon. member want to speak on the point of order?

Mr. Valade: I want to speak on the point of order. I think this is ridiculous. I am making an analogy between the proposed amendment and some other legislation as an example of the illogical situation which will be created by the present bill. This is my purpose.

Mr. Deputy Speaker: I was listening to the hon. member fairly closely. I assumed this was what he was attempting to do. I remind the house that under the Standing Orders we have to restrict the debate to the amendment as strictly and directly as possible. Unfortunately, I must also add that the hon. member's time has expired. Is the house disposed to grant the hon. member extra time?

Some hon. Members: Agreed.

[*Translation*]

Mr. Valade: Thank you, Mr. Speaker, but I must say that I have been interrupted several times by points of order and questions of privilege. I am about to conclude my remarks.

Mr. Speaker, I still have to say that we have discussed that matter to some extent and that we have been unable to call in experts in this field to enable us to truly form an opinion likely to assist the legislators to come to a decision. I think that we should ask the following question: Is there any advantage in passing now that clause of the bill? Would it not be appropriate to ask ourselves whether the liberalization or the legalization of homosexuality will improve our society or public morals?

If we pass this bill, will that be an example of leadership to give to our young people? What benefit—and I ask this to the Minister of Justice—would Canadian citizens get from this amendment to the Criminal Code? Will it help the homosexual or the lesbian to rehabilitate themselves? In which way does the government intend to deal with those rehabilitation measures in order that they be adopted? And why such haste to have this bill passed?

On the other hand, Mr. Speaker, I think that there are questions we could raise as to the possible advantages of deferring the consideration of this clause.

Thus we could make an exhaustive study of the problem of homosexuality. It would also be possible to see that tendency in its true perspective; it would be possible to provide adequate means to facilitate rehabilitation. Moreover, it would be possible to take the necessary steps to protect our young people from being corrupted by perverts and prostitutes in this field, and provide the authorities, the police forces with the required means to enforce the law once it is enacted.

Mr. Speaker, when we are discussing such an important bill, as the Minister of Justice said himself, I think it is necessary and important for us to know what is homosexuality. How do you define a homosexual? Is he a sick person or a criminal? If he is ill, should we consider him as a pathologic or a

psychiatric case, as a sociological or a psychological evil? Is there any way of rehabilitating him, if he is truly ill? However, Mr. Speaker, we do not have in hand all the data that would enable us to assess this problem fully.

A few years ago, a group of world specialists met at Geneva, including criminologists, sociologists, psychiatrists, physiologists, pathologists, who looked into this matter for five days.

It was concluded, at the end of the five-day meeting, that the information and statistical data available was not sufficient to permit a classification of the various aspects of the problem of homosexuality.

As far as we are concerned, here in Canada, we think we are smarter than they are. We would like to rush through a legislation as yet unwarranted by our ways and customs.

I am much too confident in the future of our country to believe it is necessary today to legalize this evil.

Mr. Speaker, there are many categories of homosexuals and the minister had the opportunity to learn about them at the committee meetings. As far as I am concerned, I read many books on the subject. First of all, there are the perverted who very often become sexual criminals and are very dangerous in our society.

There are male homosexuals who prostitute themselves as women of pleasure do.

That is one of the most difficult problems and unless it is eliminated immediately and looked into thoroughly, it will prevent the government from making the proposed legislation effective.

Mr. Speaker, before concluding I would like to quote a sentence from a booklet I received recently and titled: Hope for Homosexuals, by David Wilker. I quote from page 2:

• (8:30 p.m.)

[*English*]

And I quote in English the following paragraph:

> One young homosexual boasted, "Some day we'll outnumber you, and then you 'straight' people will be the abnormal ones and we'll be the normal."

This is the kind of thing toward which we are aiming our Canadian society, and this is the type of thing which must make us think more deeply than we have on this subject.

Mr. Reid: Are you going to look after procreation by yourself, Georges?

Mr. Deputy Speaker: Order. If there are to be exchanges, they should be directed through the Chair.

Mr. Valade: I did not hear what the hon. member said, Mr. Speaker. I was much more interested in the major problem that the minister is creating for Canadians, and on some other occasion will answer this type of interjection.

[*Translation*]

Mr. Speaker, in concluding I would like to put on record those words which I have taken from an article written by the present Prime Minister (Mr. Trudeau) and published on page 12 in the number of April 1963 of the review "Cité Libre". I quote:

> On account of realism and efficiency, I was compelled, and may God forgive me, to betray some rebellions of my youth. But I have not yet accepted to trample on democracy. This is why on election day on April 8, I intend to vote for the New Democratic Party.
>
> I think that it is also the duty of all those who believe that it is urgent to check the rush of the Canadian political philosophy towards stark degradation.

I have just quoted, Mr. Speaker, the author of the omnibus bill brought in by the Minister of Justice and which the house is now called upon to pass.

Mr. Speaker, I say to all conscientious members and I know that there are some on the other side of the house, as in all parties, that this is a really important and serious problem jeopardizing the welfare of our society.

In fact, this is a problem which must be looked into by experts. I therefore invite government members who might also be reluctant to support this omnibus bill—and there are some who may be absent for that reason, because they do not want to reveal their feeling in public—not to consider the political move which they will perhaps be compelled to make but rather to think of their responsibilities towards society which has elected them, in order to honour their mandate.

Mr. Roland Godin (Portneuf): Since yesterday, Mr. Speaker, several hon. members have taken the floor in order to support Bill C-150. Among the numerous arguments set forth by them, the evolution of morality seems to have had the priority. In my opinion, there is something more to that since we often hear of people wishing to change their sex.

But in this parliament we go beyond all that. While Canadian workers are paying taxes, while the unemployed are wondering about what tomorrow will bring, we are discussing the fate of the third sex.

Can an honest government allow itself to neglect the majority on behalf of a small group of perverts? Why is clause 7 of Bill C-150 now before us? Wherefrom came the representations to that effect?

Mr. Speaker, I have been here for three years and a half. During that period, I met various groups, among which were teamsters, farmers, workmen, even union representatives, which came and exerted pressure on the government and I would like to know which of them requested clause 7 now under study.

Was that clause requested by the electors of the Mount-Royal or the Ottawa-Carleton constituency? To how many persons did the government commit itself? Since minorities normally dispossessed, that is the poor, are being forgotten most of the time, would the request have originated from the minority of millionnaires contributing to the electoral fund?

We recall that bill C-222, that is the bank act, was passed on March 21, 1967. We also remember that the electoral funds of both parties were very well provided for, following the passage of the bill.

Shortly afterwards, in February 1968, that is before the last election, came the passage of bill C-191, amending the Excise Tax Act.

Mr. Speaker, the Liberal party is not yet through with counting the moneys that were contributed to its election fund by the mining and lumber companies being assisted by the bill, which exempted them from paying the 10 per cent sales tax on the purchase of machinery and trucks.

Still more recently, was not the hon. member for Montmorency (Mr. Laflamme) offered a certain amount of money for sponsoring bill S-27 respecting the Quebec Savings Bank? That bill only purported to change the name *Quebec Savings Bank* into that of *People's Bank.*

[*English*]

Mr. Deputy Speaker: Order, please. I have been listening to the hon. member with some care, and I remind him that the amendment before the house at the moment deals with the deletion of clause 7 of Bill C-150. The debate must be restricted to the amendment itself, and I invite the hon. member to deal specifically with this amendment.

[*Translation*]

Mr. Godin: Thank you, Mr. Speaker.

I am sorry I lost my temper.

In any case—

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

The hon. member has made charges against the hon. member for Montmorency (Mr. Laflamme), who is reported as having been offered a certain amount of money. I think not only that he was out of order, but also that he made a false charge, and I want him to take full responsibility for it.

I am sure the hon. member for Montmorency (Mr. Laflamme) has not been blackmailed, has received nothing and has performed his duty by sponsoring a bill in the house.

Mr. Godin: Mr. Speaker, I am taking due note of the remark made by the hon. member for Louis-Hébert (Mr. Cantin). The hon. member who is a lawyer, has understood very well what I said. I did not say that the hon. member had accepted anything, I said that an offer had been made to him. There is quite a difference.

Mr. Speaker, in any case, they persist in rejecting all amendments to this bill and we are asking ourselves questions as well as everybody across the country, especially with regard to clause 7 which deals with homosexuality.

That this clause should appear in the former bill introduced by the former Minister of Justice, a bachelor, and member for Mont-Royal, that was understandable. The people, who knew the hon. member as a comical character, a great joker, considered this part of the bill with a smile, believing it was a joke.

However, the peoples of Canada who thought it was all a joke, realize now that the clause had actually been presented with the firm intention of having it adopted. Under these circumstances, the peoples of Canada sympathise, as I do, with the present Minister of Justice. In fact, one wonders what advantages the hon. minister of Justice, representing Ottawa-Carleton, who is married and has, if I am correct, four children, could derive from inserting clause 7 in the present Bill C-150.

At all events, I ask those who support this clause, and who mostly are married men, whether their wives are in favour of their consenting adults stepping out. The peoples of Canada are dissatisfied, Mr. Speaker. It is not

only in Creditiste ridings that constituents are writing to their M.P. In fact, we have received letters from all over Canada.

• (8:40 p.m.)

I can declare that consciences agree on one point in Canada and even in constituencies whose representatives are Liberals, the reactions are alike.

I have even received a letter from the constituency of Chambly-Rouville. I would like to quote a few excerpts.

Richelieu, March 15, 1969. Mr. Roland Godin, M.P. for Portneuf.

Sir, I wish to write you a few words, first to commend you and your colleagues for the fine job that you are doing in the House of Commons in Ottawa—

The letter goes on in the same vein but, out of modesty, I will spare you part of it.

However, the man who signed the letter tells me:

I wrote to my member of parliament, Bernard Pilon, telling him not to vote like a puppet—

He adds in brackets: $18,000 a year is quite a price to pay for a mere puppet. I continue:

I also wrote to the Prime Minister, Mr. Trudeau, and the Minister of Justice, Mr. Turner, asking them to leave the Liberal members free to vote according to their conscience and their faith, if they have not forgotten it.

Herewith copy of the letter I sent to the hon. Jean-Paul Deschatelets, Speaker of the Senate, asking him to assume his responsibilities.

Mr. Speaker, not only have the constituents of Chambly-Rouville lost confidence in their member of parliament but they now mistrust the Speaker of the other place, and I give you proof of that by reading the letter in question:

Chambly-Rouville, March 14, 1969

Hon. Jean-Paul Deschâtelets,
Speaker of the Senate
Parliament Buildings
Ottawa, Ont.

Dear Sir,

Please allow me to express my opinion, as well as that of the people of our beautiful county of Chambly-Rouville. And as a taxpayer of all kinds of taxes and surtaxes, direct and indirect as the case may be, I make this my duty. Our M.P., who represents us all in Ottawa, appears to have become a nothing, a yes-man, a lunkhead and a fink, since he was elected and sent in Ottawa to defend our interests and get acquainted with the legislation put before the House of Commons, so that those that are passed will be for the best interest of the people of this county who are honest, righteous and worthy of their beliefs. Such laws must also protect morals, the unwritten law and the ten Commandments written on the tables of the Law, made of stone; they will remain there for all time. I do not think that a government, a Member of Parliament or a Minister of Justice should be allowed to pass a law that would abolish the Lord's Commandments.

Mr. Speaker of the Senate, it is beyond understanding that intelligent men like Mr. Pierre Elliott Trudeau, who has said, as I read in the papers, that he was baptized and was practicing his religion, would conceive in 1968, when he was Minister of Justice, the notorious omnibus bill, hateful and degrading. And that he would put it in the hands of the present minister, Mr. John Turner, to have it baptized in parliament, where our M.P.'s are the godfathers and godmothers of the people of Canada—

And here again, Mr. Speaker, this man goes on to say that a Gallup poll has shown that 92 per cent of the Canadian people are believers, and then he states that members of the Senate will never forget that poll. And he goes on to say:

To legalize homosexuality between adults means to popularize it wilfully, between adults as well as between adults and young people, as it will not be practical to check it, meaning that policemen have no right to intervene in such cases.

To vote for this hateful and degrading bill out of false principles, is to open the door wide to other legislation contrary to the indefeasible rights of man.

This letter bears the initials of a constituent of Chambly-Rouville.

I apologize for quoting this letter before the Hon. Jean-Paul Deschâtelets sent us a copy.

In short, Mr. Speaker, under clause 7, we are simply being asked to legalize male prostitution. How did the great and noble Liberal party come to be so lenient towards unnatural acts, for it is not by granting all freedom to inverts that the evil will be checked. And to repeat that the State has no business in bedrooms is not very serious, when the crime which is being committed there endangers a whole civilization.

Since we are told again and again that the homosexual is ill, the State should act accordingly. And before accepting the money of the dear boys for the electoral fund, the Liberal party through its Minister of National Health and Welfare should have suggested adequate care.

An intelligent man, the secretary of the province of Quebec, Mr. Yves Gabias, a lawyer, and a citizen of Trois-Rivières gave us his impressions during the fall in 1967, and I quote an article published in *L'Action* in December 1967:

The provincial secretary, Yves Gabias, who is also the member for Trois-Rivières, has protested, along with many others, against some clauses of Bill C-195—

It will be recalled that, at the time, the measure was known as Bill C-195.

—or the bill amending the Criminal Code, introduced last week in the Commons by the Minister of Justice, Mr. Pierre Elliott Trudeau.

In Mr. Gabias' opinion, the proposed amendments concerning abortion and homosexuality are inacceptable. Consequently, he wishes that the Canadian people and the public bodies would exert pressures in order to oblige the federal government to take these clauses out of the bill.

"Every time a people has legalized homosexuality, such action has led to pure and simple decay," he commented. In so doing, the hon. member for Trois-Rivières emphasizes the fact that he speaks as a Quebec citizen and as the father of a family.

Therefore, he is taking a logical approach without forgetting that he is a public figure, a politician, a member of a provincial government. But what he seems to be considering in particular, and which is very important, is the fact that a legislator in all matters must act logically as a responsible family head.

From the strict viewpoint of the drafting of the text, the matter of homosexuality, that is clause 7, is unacceptable. At the present time, under the legislation anyone who commits buggery or bestiality is liable to imprisonment for 14 years and anyone who commits an act of gross indecency with another person to a five-year imprisonment. How could two consenting persons over 21 years of age commit these acts and not be liable to criminal charges whereas other persons. Also, over 21 and also consenting could be heavily penalized for having committed similar acts whenever there were more than two persons participating? Does a crime cease to be a crime on the ground it was committed by one or two persons only? Shall we say that homosexuals are sick people who should be cured rather than punished? In that case, are not those who practise this vice in a group also sick persons?

And this is signed by Roger Bruneau who concludes:

In brief we prefer the logic of Mr. Yves Gabias and we agree with him that the Canadian citizens and public institutions should exert on the federal government pressures strong enough to compel it to remove from the bill clauses 7 . . . , dealing with homosexuality.

● (8:50 p.m.)

Mr. Speaker, let us grant such permission only to 21 year-old adults and tomorrow we shall witness demonstrations organized by the 17 and 18 year-old youth. Holland has recently given proof there is some truth in this.

Dutch homosexuals demonstrate—

This is from a recent issue of a Quebec newspaper.

About a hundred homosexuals and lesbians put up a noisy demonstration yesterday in front of the Dutch parliament to protest against a law of the country making sexual relations between adults of the same sex liable to four years in prison.

According to the demonstrators, this legislation is inhuman, discriminatory, and inconsistent since it allows homosexual relations between adults on the one hand and between minors of 16 years old at least on the other hand while forbidding it between both of these groups. Sexual relations between an adult and a consenting girl of at least sixteen are also permitted.

This implies, claim the homosexuals, that a man of 70 is free to give vent to his passions with a consenting adolescent . . . with the blessing of the government.

And note this, Mr. Speaker,

The supporters of the third sex distributed to the members of Parliament small candy hearts bearing slogans such as: "love", "sweet kisses", etc.

Mr. Speaker, homosexuals are said to be sick people; I feel that those sick people know how to do things very well.

We now ask: how is it that the British parliament has already passed a similar bill? How is it that the Canadian government is about to do the same? The Canadian Intelligence Service gives us an explanation in the Supplement to Bulletin No. 7 dated April 1968, and I quote:

Canadian justice is rebuilding its foundations.

Scientific humanism is replacing the gospel as the foundation of Canadian law.

First reading has just been given in the Commons to an omnibus bill containing various measures intended to "modernize" the Canadian Criminal Code. This bill introduced by Minister of Justice Trudeau contains, among others, two measures the first of which would facilitate abortion by increasing the number of grounds . . . and the second would legalize homosexuality between adults. And, on the other hand, not among future plans but among the achievements—

—were other plans.

Again in the same article, and I quote:

—Peter Newman, correspondent of the *Toronto Star* in Ottawa, in his article of April 25, 1967, made this comment about Mr. Trudeau:

"He (Mr. Trudeau) also keeps in mind certain aspects of a creative implementation of the law. He says the Department of Justice should be considered more and more as a body designed to plan the society of tomorrow, and not only as a legal adviser to the government—"

Let us take notice of that idea of a creative law and of a Department of Justice directed more and more towards the planning of the society of tomorrow. We find here the idea that a Department of Justice does not exist above all to enforce law and maintain order but to use the law so as to change and rebuild social order. Thus the law, which was the framework of order, becomes an instrument of revolution.

We find here once again the idea of a new basis for the law, made up of changing sociological theories and a morality determined by public opinion. Such a concept destroys the very basis of western civilization, such basis, which has its

roots in the Bible, being that man is related to God, that he is responsible before God for his actions and his life, and that he should be guided not by man-made laws but by God's commandments—

The implications of this new direction to be given to Canadian law cannot be overstressed, because it disregards its roots which were the Holy Scriptures to embrace "humanitarian" views.

Norman St. John-Stevas, in his important book *La Vie, la Mort et la Loi* has shown that it is in the name of this new morality, of this new god of science, that Christians are asked today to approve the legalization of homosexuality, prostitution, suicide, etc.

All those acts are forbidden by existing Christian laws. That such radical changes could thus be proposed reveal the deep moral revolution which has shaken Anglo-Saxon democracies, brought about mostly by the advocates of the "new morality" and the worshippers of the new god of science, who have succeeded in invading our institutions, universities, public schools, churches, communication media of press, radio and television, without overlooking our political parties.

Any change must at least seem justified. Those so-called reformists contend that God is dead, that there is no moral law of divine origin, and that therefore perversion and crime not only have equal rights with Christian morality, but actually have superior rights; which the reformists explain by claiming that Christian morality violate the right of peoples of the post-Christian era to do as they please.

This new set of morals, based on a humanist prejudice of complete independence in relation to God and His moral law, has been advocated in several documents published recently by modern humanists: the Kinsey report, for instance, which encouraged sexual freedom—

—the new morality of scientific humanists is about to become the common measure of courts of justice—

Mr. Speaker: Order. I am sorry to inform the hon. member that his time is up.

Mr. Godin: Mr. Speaker, I should like to go on for two more minutes.

Mr. Speaker: Order! The hon. member's time has expired.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise to take part in this debate for only a few minutes. I do so because I regret very deeply the turn it has taken and the kind of perspective that has been put upon clause 7 of Bill C-150. Frankly, I think that perspective is all wrong. One would get the impression, listening to many of the speeches that have been made on clause 7, that what it proposes to do is promote homosexuality and other sexual deviations.

Mr. Woolliams: No, I do not think that is true.

[Mr. Godin.]

Mr. Knowles (Winnipeg North Centre): I say that this is the impression one gets.

Mr. Woolliams: Maybe; but I do not think that is true.

Mr. Knowles (Winnipeg North Centre): My hon. friend is saying that is not the purpose of the bill?

Mr. Woolliams: I say that is not true as far as the debate is concerned. I do not think that is right.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, the hon. member is entitled to his opinion, though it would be better if he expressed it from his own seat.

Mr. Woolliams: Yes, I agree with that.

Mr. Speaker: Order, please. The hon. member for Winnipeg North Centre (Mr. Knowles) has the floor.

Mr. Knowles (Winnipeg North Centre): I express the opinion, as one who has listened to the debate throughout, that this is what it sounds like. I would like to state what I think is the purpose of clause 7. I put it very simply—

Mr. Woolliams: This is pretty naïve.

Mr. Knowles (Winnipeg North Centre): My hon. friend may say it is naïve if he wants, but I have a right to state it in all its naïvety. Sections 147, 148 and 149 of the Criminal Code are not being deleted or changed. The law against various kinds of indecency and abnormality will remain. All we are doing by clause 7 is adding another section to the Criminal Code that is of a relieving nature. It will relieve the people who, in the view of the majority of us, are ill from the possibility of being tarred as criminals.

Mr. Speaker, I think that is the kind of approach society ought to take toward homosexuals and people who indulge in some of these sexual variations, particularly when they are over 21 years of age. There seems to be a great deal of concern because there is a line drawn at 21. I am glad the line is drawn. This means we are still doing our best to prevent the spread of sexual irregularities. It means we are still doing our best to avoid the propagation of homosexuality; the force of the law is against this sort of thing. But at the same time we are saying that when people are adults, if they have a form of illness that expresses iteslf in this way, we ought not to attach to them the stigma of being criminals.

Mr. Woolliams: Would the hon. member permit a question?

Mr. Knowles (Winnipeg North Centre): Yes.

Mr. Woolliams: I would like to ask the hon. member, through you, Mr. Speaker, how many prosecutions there have been under this particular situation since 1953, when the Code was amended. I can answer right now: there have been none.

• (9:00 p.m.)

Mr. Knowles (Winnipeg North Centre): I thank my hon. friend for his question, and since I did not know the answer I thank him for giving it to me. But the point I am trying to make, despite the interruptions of my genial friend, still stands that the perspective that has been created yesterday and today is all wrong and is not in keeping with the real intent of clause 7. It is because of its real intent, namely to provide a relieving clause for people who are ill, that some of us are not only prepared to support it but are glad that it has been brought in.

One of the other things that has bothered me during the course of the debate, and perhaps has provoked me to get to my feet, has been the constant appeal to religion as though some of the interpretations of religion which we have been given are the final answer. It is not often in this house that I make a formal reference to any religious position, but I would like to say just this, that if true religion means anything it means compassion, it means understanding, it means concern for people, especially people who are ill. That is the objective of clause 7. I think this house should support it and reject the amendment that would seek to strike it out.

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I have the pleasure to address again the hon. members and to tell them that I support the amendment to delete clause 7 of the bill now under consideration.

I should like first to call the attention of the house to an excerpt of a report presented by a commission under the chairmanship of Sir John Wolfenden of the United Kingdom. These 12 men and 3 women were asked to study the law and the customs with regard to offences concerning homosexuality and the treatment of persons convicted by the tribunals of such offences.

I want to point out that the government, according to its press release, relied upon this report to prove that the bill to legalize homosexuality could be valid.

Here is what Sir John Wolfenden wrote and I quote:

> With regard to the fact that a man who engages into homosexual acts with another man might want to do the same with young boys, the Commission reached the following conclusion:
>
> In short, the evidence we heard suggests that the fear that doing away with the illegality of homosexuality between adults would lead to similar acts with young boys does not give sufficient ground to classify as punishable offences homosexual acts committed between adults, and in private, and the Commission suggests that such a change in the legislation is more likely to protect the young boys rather than expose them to danger.

It is certainly sheer nonsense to pretend that taking away completely from the Criminal Code the offence attached to homosexuality will not lead homosexuals to commit similar acts with boys under 21.

Just like the previous speaker, I feel that homosexuals are sick people and that sometimes they are unable to control their sexual impulse not only towards adults but also towards adolescents.

In my opinion, the passing of that clause would mean that young people would be continually threatened by the unbridled instincts of those sexual perverts.

I repeat that homosexuality is an illness and its legalization will not contribute to the progress of society but to its decadence because it can undermine the family, the cell of our Canadian society.

That same committee adds that homosexuality does not cause more harm to the family than adultery. That may be but, even so, the prevention or cure of such an illness would still be justified.

It is still more ridiculous to see how this government behaves while relying on nothing. I say while relying on nothing because there is not a single minister who can tell us which public or private associations have made representations to have that section included in the bill now before us. If, by chance, homosexuals made such representations, they would have to be ignored for, in my opinion, homosexuality is a psychological illness.

The government presents this bill as a form of progress while, it is a degrading measure.

According to the reports submitted to the committee, the United Kingdom, recently

passed an act the provisions of which are the following, and I quote:

> Notwithstanding any provision of the statutes or of the common law, but subject to the provisions of the following section, an act of homosexuality committed in private is not an offence providing that the people concerned consent to it and are at least 21 years of age.
>
> 2. An act that would be otherwise considered, for the purpose of this act, as committed in private, will not be considered so if it is committed:
>
> (a) When more than two persons share in it or are present while it is being committed; or
>
> (b) In lavatories where the public is admitted or authorized to enter on paying a charge, or otherwise.
>
> No proceedings shall be filed, except by the director of public proceedings or with his consent, against any man for a buggery offence with another man or for indecency with another man, for an attempt to commit either of those offences or for having helped, encouraged, advised, prompted or ordered its perpetration when one of those two men was, at the moment of its perpetration, less than 21 years of age. However, this section does not preclude the arrest of a person or the issue of a warrant against that person for such an offence, nor the provisional detention or releasing on bail of a person charged with such an offence.

Mr. Speaker, I do not think that homosexuals will purposely put themselves on public display when they wish to have intercourse with each other. This is why I say that the assertion which was made in England is completely and basically wrong. It is then useless for the government to take it into account because he should rather deal exclusively with laws concerning indecent assaults and gross indecencies.

How is it possible to reconcile the seriousness of the government with the rationale of section 7 of the bill, if it ascribes importance to details and ignores the unhappy experience of the nations that have legalized homosexuality?

Homosexuality is an evil and its legalization means contagion among people who are young or not so young. I speak of the people of 18 or 17 and even of those who are younger. Let us not be surprised, if this bill is ever adopted, of the increase of cases like the one of Léopold Dion; four boys were the innocent victims of this sex maniac.

The evil already exists. We must curb it rather than spread it. To do this, the government should create a system of education for adults, so that they can prevent homosexuality by educating the young.

Besides, I advocate the creation of free psychiatric hospitals for homosexuals rather than the adoption of such ridiculous bills.

One does not build a strong country upon degradation as the present government tries to do, but rather on the dignity of and on the respect for human beings.

This afternoon, the hon. minister of Justice (Mr. Turner) said he did not agree with the argument of the members who claim that immorality means illegality from the legal point of view.

I think it is immoral to permit homosexuality under certain conditions, as provided by section 7 of the bill. What should remain illegal should even have a penalty attached to it.

For all those reasons, I ask the government to remove this section 7 from bill C-150, and I support the amendment under study.

Mr. André Fortin (Lotbinière): Mr. Speaker—

An hon. Members: He has already spoken.

Mr. Fortin: I am glad to be able to participate in this debate even if some government members wonder whether I have already done so. I do hope my hon. colleagues do not dread me that much.

Mr. Speaker I consider it a duty—

Mr. Cantin: Mr. Speaker, I rise on a point of order.

I am not quite sure but I wonder whether the hon. member has not already spoken on the same subject. It is the only question I have to ask him.

Mr. Fortin: Mr. Speaker, we might perhaps adjourn and try to find out whether I did actually speak or not.

• (9:10 p.m.)

[*English*]

Mr. Deputy Speaker: Order. I am advised that the hon. member for Lotbinière (Mr. Fortin) has not spoken on this subject.

[*Translation*]

Mr. Fortin: Thank you Mr. Speaker. I realize you are paying closer attention to the debate than the hon. member for Louis-Hébert (Mr. Cantin).

Mr. Speaker, it is my duty to participate in the present debate which aims at striking out of the Criminal Code clause 7 which has, so far, caused much ink to flow and given birth to many comments, right or wrong but, anyhow, interesting. Nevertheless, I feel, Mr.

Speaker, that the longer we debate, the more we drift away from the subject.

I notice, Mr. Speaker, that so far, in most cases, a basic aspect has been overlooked: that of the Canadian youth. Let us think of it lest we have to deplore tomorrow the steps taken today.

Mr. Speaker, there is in the April issue of *The Canadian Family*, a magazine edited in Ottawa by the Canadian Family Conference, a good article by Frederick Elgin. I would like, Mr. Speaker, to draw the attention of the house on the subject for it is of the utmost importance. Before passing or rejecting this motion, it is every member's duty, in my opinion, to think of the Canadian youth. Reading this article, Mr. Speaker, is illuminating. We tend too often to forget, for instance, that in 1951 there were 4.9 million young people under 18 years of age in Canada who tomorrow will have become adults and will be responsible for our society.

By 1961, that population had increased. The number of young people had grown to 7,100,000. That is an unbelievable, fantastic increase of 45 per cent.

The Canadian people are growing ever younger. The average age of Canadians is decreasing. Let us now look at 18 to 24 year olds. From 1951 to 1961, the rate of increase of that sector of the population was 13 per cent.

In other words, Mr. Speaker, the bill we are about to pass or defeat, depending on the seriousness of our principles and our wish to pass laws that are really useful, will have more bearing on the young people of Canada, students and workers, than on the older people, since more and more, and especially since 1951, the rate of growth of the Canadian population between 18 and 24 years, and under 18, has increased constantly.

That is to say, Mr. Speaker, that to my mind it is criminal to set the minimum age at 21 in clause 7 of the bill now before us.

I say, Mr. Speaker, that our young people are concerned. Several persons, several members, will say, especially on the government side: If we go by the introductory speech of the Minister of Justice (Mr. Turner) in the house, this bill will remove from the Criminal Code sections 147, 148 and 149 that deal with homosexuality or sexual relations between two consenting persons of the same sex, and it will have no bearing, directly or indirectly on our young people.

Mr. Speaker, if under the pretext of making the law more humane and adapting the Criminal Code to a pluralistic society, more freedom must be given to the human being, we commit the crime of throwing our young people, our Canadian youth into a society that does not generally respect love, one's fellowman, the human being, and the right of the individual, to fulfill himself according to his own principles.

However, if we prevent those young people from growing up freely according to their skills, abilities and principles—for they have them—instead of making the Criminal Code more human, we will have committed the greatest crime in the century, since we will have abolished all that could make of them the honest and serious leaders of tomorrow.

When the minister states that the bill will have no repercussions on people, I would like to remind him that the present government has already held an inquiry on juvenile delinquency in Canada. I have here a very interesting book which was published under the auspices of the Department of Justice.

One can find a mine of information therein. This is how is defined the expression "juvenile delinquent" from a legal standpoint, and I quote:

> Any child who violates any provision of the Criminal Code or any Dominion or provincial statute, or any by-law or ordinance of any municipality, or is guilty of sexual immorality or any similar form of vice.

In other words, Mr. Speaker, this legal definition of the expression "juvenile delinquent" classifies as a vice any sexual deviation or immorality. Youths are condemned, they are put in jail, they are sent to reformatories, they are even prevented from getting a good start in life. They are not given all available opportunities. According to which criteria are they condemned?

It deals with sexual immorality or any similar form of vice. One can find it again on page 8 of that document published in 1965, under the auspices of the Department of Justice.

I hope that the minister read it. Mr. Speaker, some people rationalize their indictment against youths who maybe did not get all required opportunities to find their niche in society. Everything is done to prevent those youths from finding their place in society; people brandish the criteria of sexual immorality or any similar form of vice.

Is there something more illogical, more inhuman and more stupid than that, Mr.

Speaker? However, they want to allow youths 21 and more, to do the same acts that are forbidden in the case of younger ones: They are condemned and their life is wrecked.

I want to rise against this ridiculous situation and say to the minister, that if he deletes from the Criminal Code sections 147, 148 and 149, without passing intelligent legislation giving our young people the chance not to be accused in such situations, I say that he himself is guilty of a crime, and somebody should blow him up with a bomb, and I approve young people fighting with guns, if our society does not enact intelligent laws to promote development of the human being.

I think this is a serious situation. Everybody in this house is against protest, everyone is against young people getting together and holding demonstrations as they did at McGill University. Everybody is afraid, but nobody is taking his responsibility. We are ready to condone sexual acts between young people of the same sex—male or female—as long as it is in private, and for the same acts, young people, our children, are convicted and their life is wrecked. Some hon. members will say that this is not true. I would like them to read the statistics found in this same book. We have been blind ever since this debate started.

• (9:20 p.m.)

Do you know that 15,204 juvenile delinquents were not only accused but convicted in 1957 and 16,903 in 1958? There are more and more every year. In 1960, 18,706; in 1961, 19,659. These statistics are for 1961, the latest available.

At this rate of increase, we can guess what the number is now. The majority of these young people have no jobs. Instead of legislating to help them, we contribute to their delinquency while at the same time we organize our society according to a supposed evolution that makes it necessary to adapt ourselves to a pluralistic society, under the pretext that we must follow the advice of our good mother-in-law, England.

I heard members ask the minister where this bill originated? Can he tell us whether he received representations? In my opinion, the answer is quite simple and I will take the liberty to tell it to the house, by quoting the Prime Minister at the time he was Minister of Justice. I could say the same thing of the present Minister of Justice, because he has the same opinion. He is unable to break new ground, to adapt himself to the Canadian turn of mind. He has to take his ideas from outside, from the United Kingdom. I quote:

[Mr. Fortin.]

> Considerations which led to the introduction of these amendments in parliament are well defined in the following excerpt from the report of the committee set up in the United Kingdom—

In Canada, Mr. Speaker, the opinion of the Canadian people was not sought. Even if the Canadian opinion is against this bill, they don't care a hang. They prefer to follow the opinions of the United Kingdom. I have them here. The Prime Minister said, and I quote:

> —are well defined in the following excerpt of the report of the committee set up in the United Kingdom under the chairmanship of Sir John Wolfenden. They led to the passage of a similar legislation by the United Kingdom parliament last July.

That is all what we can think of in Canada!

Mr. Speaker, I do not want to waste my time any further, but I think that is important. The Minister of Justice (Mr. Turner) goes even farther than his predecessor. The former Minister of Justice decided that if Sir John Wolfenden had studied the question, it made sense. We, in Canada, are backward people; so he thought we should just follow suit.

But the hon. Minister of Justice tells him: It might be very interesting. We are going to investigate further and find out whether this is really desirable. I am quoting his introductory speech which, and you will see that it is really something.

Mr. Speaker, this situation so revolts me that I would willingly give 25c. to the hon. Minister of Justice and ask him to go and play in the traffic. The hon. Minister of Justice said—I am quoting:

> A committee made up of twelve men and three women headed by Sir John Wolfenden, who had been appointed in the United Kingdom to study the law and the practice regarding homosexual offences and the treatment meted out to people found guilty by the courts of such criminal acts—

Let us imagine that committee! Do you want to know how this committee made its study in the United Kingdom, how many Canadians they consulted and how they studied the situation in Canada? The minister tells and I quote:

> The committee took 32 days—

—neither 33, nor 31, nor 32, the minister kept a count—

> —to examine witnesses and it met on 30 other days.

Eventually, they adopted that legislation. Today we, Canadians, are incapable of using

our imagination, of inventing or doing anything, without looking at what our neighbour is doing, because we are not controlling anything.

Mr. Speaker, I am now returning to the serious problem of homosexuals of whom, I understand, there are many in Canada. As far as I am concerned, I have not received any request from Canadians to support this legislation, but I have received hundreds of letters asking that we oppose it. Most people are themselves against it. Can the minister sincerely tell us that the Canadian people is in favour of this clause? He is unable to say so, unless he betrays himself. Does he want me to give him some examples of people who are against it? I have here almost 500 letters that I shall send him; they are signed by people from Victoriaville, who may not possess the qualifications to become Prime Minister or Minister of Justice, but who have enough conscience and common sense to think about tomorrow's society, although it may be a pluralist one, and to realize they still must hold on certain principles.

I shall, therefore, send the minister these letters and ask him to read them, because it is of the outmost importance. Perhaps he will be unable to go to sleep tonight, which would be that much gained.

Mr. Speaker, homosexuality is an illness, not a crime nor a vice. It could become so through abuse or habit, but then it would become a chronic illness. Nevertheless, it remains an illness, perhaps more difficult to cure than an ordinary one, but it can be treated. The greatest specialists recognize it.

Although I am not very old, Mr. Speaker, I have had the opportunity and the chance to militate for 4 years in an organization called l'Association Lacordaire. I have discovered in this organization some fantastic things from a human point of view.

I had always been taught, like everyone else, all kinds of prejudices against alcoholics. Even governments, federal and provincial, were taxing alcoholics of being vicious, degraded, heartless people, who were not taking care of their family. And that went on until experts wondered why those people drank too much. Finally, it was discovered that all alcoholics were not vicious or debased or criminal but were in fact sick, and likely to be rehabilitated, for instance, through the Domrémy clinics, the Alcoholics Anonymous or other channels. Rehabilitation is possible and today anybody will recognize that an alcoholic is not a degraded but a sick person that can be treated.

Mr. Speaker, we have known in the past prohibition laws. Public opinion has envolved, we now live in a pluralistic society and it is agreed that the human being deserves respect.

Instead of broadening the laws, instead of condemning such people, the governments more and more take positive measures to have them treated. Today, it is possible to recuperate the sick people that the alcoholics are, to return the father or the mother to their family, to give a start in life to the young, even if previously they have made an immoderate use of liquor—

The Acting Speaker (Mr. Béchard): Order! Order! I must interrupt the hon. member since his time has expired.

Mr. Fortin: Mr. Speaker, I would have a few more remarks to make.

The Acting Speaker (Mr. Béchard): Order! The hon. member cannot carry on unless he has unanimous consent from the house.

• (9:30 p.m.)

[*English*]

Has the hon. member the unanimous agreement of the house to continue his remarks?

Some hon. Members: Agreed.

[*Translation*]

Mr. Fortin: Mr. Speaker, I thank my hon. colleagues for their kindness.

I apologize if I should hurt some of them occasionally, but I find such a situation revolting. I should like also to avoid making too many enemies however, I wish they would consider seriously the position of young people in that respect.

It is not enough to enact laws or to broaden them if tomorrow we have to face a more serious problem. It seems to me that we have so many important laws that we could avoid getting into such a predicament! Why not speak out in a positive way? Why not try and put the Canadian family in its true place? Why not help the Canadian family to bloom instead of destroying it?

Love, Mr. Speaker, has not been created for two men or two women. It has been created for man and woman. It has been so through all times. It is not, as an hon. member said jokingly, because morals were

depraved at the time of the Romans that they should be the same today. In that case, Mr. Speaker, we should perhaps go back to the time of the Romans and to their oared boats, which could incite us to set up a Canadian merchant marine. If we were just as logical in all fields!

Mr. Speaker, I would have so many things to say in that connection. In view of such factors as urbanization, industrialization, renewal of our society, problems in large cities, and since there is more and more solidarity among young people, since they want more and more to take their place in this society and seek to reach ideals to carry out their projects, in short, in view of the great willingness shown in Canada, why should we pass legislation which, on the grounds of humanism, is against the human being?

Let us then take the same position we took with regards to alcoholism to promote the self-fulfilment of the human being.

The prime minister himself stated in his speech:

> Except if it is necessary to safeguard public order or the security of the human being.

Mr. Speaker, I think that the prime minister was then opening the door to amendments and inviting us to give our views. Let us be logical and get to the basic issues. Many young members have been elected in this house. I had the pleasure to appreciate the work done by the hon. member for Madawaska-Victoria (Mr. Corbin) to whom I want to pay tribute. He said earlier, in reply to the hon. member for Sainte-Marie (Mr. Valade) that he was free. He is free because he is young in spirit and keeps away from beaten paths.

Mr. Speaker, I think it is important to stand together and to follow his example.

Mr. Francis: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Ottawa West (Mr. Francis) rises on a point of order.

Mr. Francis: I think that the time allotted to the hon. member has expired, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Order. The house has given unanimous consent earlier to the hon. member.

Mr. Fortin: I thank you, Mr. Speaker.

I think that we would benefit from a serious, human and positive consideration of that matter, and I hope that the minister will take it into consideration.

Just as we worked for the alcoholics' rehabilitation, we must try to rehabilitate the homosexuals since they have a disease, a sexual deviation. We must do something useful.

That is why, in my opinion, the proposal of the hon. member for Richmond (Mr. Beaudoin) is most worthwhile and should be supported by the greatest possible number of parliamentarians. Let us strike out that provision from the Criminal Code and set up some clinics to look after those sick people.

Mr. Francis: Mr. Speaker—

The Acting Speaker (Mr. Béchard): Order, the hon. member for Ottawa West on a point of order.

[*English*]

Mr. Francis: Mr. Speaker, I believe the time of the hon. member has expired.

[*Translation*]

The Acting Speaker (Mr. Béchard): Perhaps the hon. member for Ottawa West was not here when the house gave its unanimous consent to the hon. member to carry on his remarks.

[*English*]

Mr. Francis: I do not consent, Mr. Speaker.

The Acting Speaker (Mr. Béchard): The hon. member's objection was not noted originally. The hon. member had unanimous consent. The hon. member for Lotbinière.

• (9:40 p.m.)

[*Translation*]

Mr. Fortin: Thank you, Mr. Speaker, and I promise the honourable member for Ottawa West that I will not misuse the time allotted to him or impose upon his kindness. I thank him for his courtesy.

Mr. Speaker, I do not wish to speak at length.

I wanted to make the views of youth known. I would like the minister to consider what I said about the conviction of young people, on charges of immoral sexual acts or similar kinds of vices, while a legislation is supposed to be passed, in order to legalize such acts committed by older persons.

Mr. Speaker, since the population is getting younger, it is extremely important to consider the matter and think it over seriously.

Before concluding my remarks, I wish to thank the members who had the patience to

listen to me and I hope, Mr. Speaker, that we will be brave enough to take our responsibilities, so as not to fear those who tomorrow will assume them and will be sitting in this house.

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Justice): Would the hon. member allow just one question?

Mr. Fortin: With pleasure, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Order. I must remind the house that the time of the hon. member has expired and unanimous consent is required to allow the parliamentary secretary to ask his question. Is it agreed?

Some hon. Members: Agreed.

Mr. Cantin: Does the hon. member finally admit that homosexuals are not criminals? If I am not mistaken, that is what he has just said.

Mr. Fortin: Exactly. They are not criminals, they are ill.

Mr. Cantin: Then, is it not precisely the intent of the proposed amendment that they no longer be regarded as criminals, except when the protection of youth is involved?

Mr. Fortin: Mr. Speaker, I agree with that. I am against taking those provisions out of the Criminal Code if, at the same time, nothing positive is done to help those people. Otherwise, it would be as if I were against red lights and that each time I ran past one, I would say to the person who would stop me: My friend, I am not sick, and I would go on my way.

Mr. Speaker, I am in favour of abolishing this provision of the Criminal Code. But at the same time, it is important to do something concrete, otherwise it is not possible to agree logically.

[*English*]

The Acting Speaker (Mr. Béchard): The score is now 2-0 for Boston. Is the house ready for the question?

Some hon. Members: Question.

Mr. Gérard Laprise (Abitibi) moved:

That Bill C-150, an Act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act, and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting therefrom clause 7.

The Acting Speaker (Mr. Béchard): Is it the pleasure of the house to adopt the said motion?

Mr. Knowles (Winnipeg North Centre): No.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, if I understood the remarks of the Speaker at the beginning of the debate yesterday, I think it was agreed that amendments Nos. 3 and 4 would be discussed and voted on at the same time. For those reasons, Mr. Chairman, I wonder if it would not be appropriate that amendment No. 4 I proposed be read immediately.

An hon. Member: It is the same thing.

[*English*]

The Acting Speaker (Mr. Béchard): I think it was the intention to put the question on the first amendment and if it were negatived, that would dispose of the two amendments. Is it the pleasure of the house to adopt the said amendment?

Some hon. Members: No.

The Acting Speaker (Mr. Béchard): All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed to the amendment will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Béchard): In my opinion, the nays have it.

Mr. Knowles (Winnipeg North Centre): On a point of order, Mr. Speaker. Was it not understood from the chair that the vote, if called would be deferred?

Mr. Woolliams: I don't think that's right.

[*Translation*]

The Acting Speaker (Mr. Béchard): Pursuant to standing order 75(11), the vote on this amendment is deferred.

Mr. Laprise: Mr. Speaker, I rise on a point of order.

It has been proposed that the vote be deferred and I note that there are three further amendments on clause 7.

Then, should it happen that this amendment on which the vote is being deferred were carried, which would mean that clause 7 would be struck off Bill C-150, I think that amendments 6, 7 and 8 would no longer serve any purpose.

I wonder why amendments Nos. 3 and 4 should not be voted on and then we could decide whether amendments Nos. 6, 7 and 8 have to be discussed.

The Acting Speaker (Mr. Béchard): Order. I think it was agreed yesterday that votes would be deferred and taken when the study of clauses 1 to 11 is completed.

Should amendment No. 3 be voted down, amendment No. 4 would be dropped by the same token. We shall now proceed with amendment No. 6.

• (9:50 p.m.)

[*English*]

Mr. Gérard Laprise (Abitibi) moved:

That Bill C-150, an Act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatory Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting in clause 7 paragraph (b) of subsection (1) of the proposed new section 149A.

Mr. Turner (Ottawa-Carleton): On a point of order, Mr. Speaker. With the greatest of respect, I think the house failed to reach agreement on the procedure yesterday. There would be no objection on this side if a vote were called on these two particular amendments at the moment. I admit that you have a discretion within the rule to defer division under rule 75(11). I think the agreement was not achieved, so it is within your discretion. We, on the government side, of the house would be quite willing to have the vote called on these two particular amendments now.

The Acting Speaker (Mr. Béchard): I am informed that the Speaker has deferred the vote, as he has the right and privilege to do, according to rule 75(11).

Mr. Woolliams: On a point of order. I would like to ask you for direction. Do I take it the chair is deferring the vote on these 11 amendments until we complete this phase of the bill? I think we should have some direction in this regard. We have to know where we are going.

The Acting Speaker (Mr. Béchard): It is the understanding of the chair that the vote will be taken after the completion of the study of amendments 1 to 11. The vote will be taken at the end of the consideration of amendment number 11, as mentioned yesterday by Mr. Speaker.

Mr. Woolliams: With the greatest of respect I agree that is good practice, but that was not the ruling. Now, it has been made clear and we at least know where we are going.

The Acting Speaker (Mr. Béchard): We are now considering amendment No. 6.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Béchard): The hon. member for Lotbinière rises on a point of order.

Mr. Fortin: Mr. Speaker, I understand that we will vote tomorrow on amendments Nos. 1 to 11 taken together. Is that correct?

The Acting Speaker (Mr. Béchard): The Chair does not know at present whether amendments 1 to 11 will be voted on tomorrow. What has been mentioned and agreed upon yesterday is that the question will be put once the house has considered amendments 1 to 11 inclusive. When amendment 11 has been disposed of, the vote will be taken on the amendments.

[*English*]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I agree with what you are saying and I agree that this is what was understood yesterday, but is there not one point that should be made clear, namely, that after we have disposed of amendments Nos. 1 to 11 we will take the votes all right but only on those amendments on which votes have been called by the standing at least five members?

The Acting Speaker (Mr. Béchard): That is correct.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, we realize to what extent the new standing orders adopted on December 20th last can give rise to complications. Indeed we have found it difficult to know exactly at what stage we are.

Nevertheless, Mr. Speaker, I feel somewhat puzzled tonight to move this amendment, which bears No. 11 in the order paper, to the effect that Bill C-150 be amended by deleting

in clause 7 of the bill paragraph (b) of subsection (1) in the proposed new section 149A.

Had the house decided tonight to delete clause 7 from Bill C-150, relating to "gross indecency" or more precisely "homosexuality", the amendment which I am proposing now would no longer be needed, as well as the two following ones. However, one does not know where we stand as to the amendment which we have been discussing these last few days.

That is why, I am somewhat embarrassed in presenting this amendment tonight. When I drafted the amendment, my purpose was to amend clause 7 in the event that my amendment would be refused. The government extends the legislation on homosexuality, and as we must accept this, we should make the best of it. That is why amendments are presented, so that the clause may do the least harm possible to our society. Of course, if the clause were deleted, there would be no problem.

In deleting clause 7(1)(b) of the new section 149A, I have attempted to limit the application of the latter to acts, that may be considered indecent or criminal by others, committed between consenting spouses, even in private.

So, Mr. Speaker, section 149A as it appears in clause 7 will no doubt, as has been mentioned in the last two days, have some possible unfortunate consequences. The hon. members who have spoken in favour of the amendment are not the only ones who entertain such fears. From all parts of the country, and not only from Quebec, various organizations have provided us with the conclusions of investigations they have carried out and have told us not only of their opposition to these changes to the Criminal Code but also of the valid grounds on which they base such opposition.

My purpose in presenting this amendment was to limit the unfortunate consequences of this new section 149A that the government intends to insert in the Criminal Code.

I do not intend to repeat what I have said about the previous amendment, nor to go into any detail, nor to repeat what others have said during the last two days, because I believe that the case has been made.

We should not lose sight of the possible consequences of the application of such a section to certain categories of persons.

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

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

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

HOUSING—C.M.H.C.—CRITERIA APPLICABLE IN PROJECTS

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I intend to speak briefly, but I think what I have to say is a matter of some considerable importance to all hon. members of the house, even those unlucky enough to be on the other side. It concerns public housing and urban renewal. Before I proceed, may I first pay tribute to a person who is leaving the ranks of parliament tomorrow, Mr. Walter Tedman, who has been a very faithful member of the staff of the Leader of the Opposition (Mr. Stanfield) and who now goes on to business enterprise in Toronto.

Some hon. Members: Hear, hear.

Mr. McCleave: I hope I can fit him into this debate without getting myself hopelessly out of order, because he has been very diligent in the field of housing. The purpose of the question, and of my appearance here tonight, is with regard to the one field in which I think the Minister of Transport (Mr. Hellyer), who reports to the house for C.M.H.C., has a particular failing. I refer to public housing, housing of some sort for the poor or lower income people of Canada.

As far back as March 25 in this session, I asked him about his intentions with regard to bringing in what he called new regulations regarding an amended and improved form of public housing. That question arose out of the fact that in his task force report he had said the criteria we had used in the past were not acceptable to him sociologically, economically or otherwise. On March 25, as recorded at page 7066 of *Hansard*, the minister said:

• (10:00 p.m.)

I have indicated in discussion with some of the provinces and with some representatives of the municipalities that within a few days I would hope to be in a position to give them, in guideline form, the criteria which will be applied in making judgments in respect of these matters.

Then, I asked the minister:

May I ask the Minister whether this would be in written form, so that every province and municipality could share the wealth.

Proceedings on Adjournment Motion

The minister replied:

Yes, Mr. Speaker, in both French and English—

That was March 25. The answer was to be given within a few days in written form. On March 31 the questions were resumed by the hon. member for Vancouver-Kingsway (Mrs. MacInnis) and the hon. member for Hamilton West (Mr. Alexander). Then again, we raised the matter on April 14. The hon. member for Hamilton West homed in on the subject by asking:

Also, while the Prime Minister is on his feet will he advise the house whether the minister—

That is, the Minister of Transport.

—in fact made the junket he was supposed to make in the week after Easter with regard to urban renewal.

Then again on the next day, April 15, further questions were asked by the hon. member for Hamilton West and myself with regard to the matter. As recorded at page 7519 of *Hansard* the minister replied:

I intend to visit Vancouver and Calgary in the next two days and, hopefully, will then be in a position to issue some guidelines within a matter of a few days.

Then, as recorded at the bottom of the column, I said:

I should like to ask the minister when he will be in a position to lay down the sociological and other guidelines that he announced within a few days before we recessed for Easter would be laid down.

The minister replied:

Next week, Mr. Speaker, if not this week.

My only purpose in rising to my feet this evening is to say, as I have said before, that I think housing for the very poor in Canada undoubtedly is our most pressing issue in this field. I hope the minister will be able to come in and lay down the guidelines, so that at least they will be known to all the communities. I know he has done work in this regard in the city of Ottawa. However, I believe every community in Canada, whether small or large, should know what the Minister expects to bring forward so that they will know what is in store for the future. Then, too, all of us in this chamber will know that he is not just being guided by his own personal likes or dislikes. I hate to say personal things about a minister, but I believe that is appropriate. I hope he will bring in a statement of policy which will be applicable to every community in Canada and one which will indicate that people who otherwise could not enjoy the advantages of better housing will be able to do so. That is my purpose in asking the question this evening.

[Mr. McCleave.]

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, on behalf of the hard working Minister of Transport (Mr. Hellyer), who this week is making a survey of urban renewal projects in Vancouver and Calgary, I welcome this opportunity to reply to the hon. member for Halifax-East Hants (Mr. McCleave). I also share the hon. member's concern about public housing and his interest in the recommendations of the federal task force on housing and urban development. I am thinking particularly of the recommendation which states that the federal government should initiate a thorough research program into the economic, social and psychological aspects of public housing and also the other recommendations which the government is studying at the present time.

I should like to assure the hon. member that the minister has promised to give the earliest possible consideration to making an announcement about the special guidelines for the provision of better housing for the underprivileged people in this country. As he promised in one or two answers in the house, he hopes it may be possible for him to announce these guidelines perhaps next week.

HOUSING —EXTENSION OF LOAN FORGIVENESS PROVISION ON MUNICIPAL PROJECTS

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I am here tonight to argue the urgency of the question which I raised on Wednesday, April 16, as recorded at page 7596 of *Hansard*. My question was as follows:

My question is directed to the Minister of Transport in his capacity as minister in charge of housing. Since the housing task force report recommended loans and grants to municipalities in order that they might increase the amount of service land available, does the government contemplate any extension of the N.H.A. 25 per cent loan forgiveness provisions for municipal capital works projects, which are due to expire in March, 1970?

Mr. Speaker: Order, please. This does not appear to be a matter of great urgency—

It is understandable, I think, that Your Honour, at the mention of an expiry date almost a year hence, might conclude that the topic was not, on the surface, one of pressing urgency. As a former municipal alderman, I know something of the length of time it takes to complete a capital project of even the most modest proportions. Usually the steps following a decision to embark upon a water system, sewer system, public housing, urban

renewal or a pollution treatment plant are extremely complex and time-consuming. First of all, a feasibility study has to be made. Then, a by-law often has to be placed before the local ratepayers. In addition, plans have to be drawn, a detailed application must be submitted, and then there is the processing of application, amendments, and finally approval must be granted. Then, tenders for contracts have to be let, and so on, until the contract is completed. I think I have given enough detail to explain why such projects take a year, or even years sometimes, to complete.

This is why there is considerable urgency in my question, and why it is important that municipalities all across Canada know what to expect in terms of desperately needed capital assistance, so they will have confidence to proceed with essential works. The Canadian Federation of Mayors and Municipalities thought the matter of such urgency as to present a brief to the government in January of this year, urging an extension of the 25 per cent forgiveness of principal and interest on approved loans to municipalities for certain capital works.

This is why the municipalities I represent, which are members of the Greater Vancouver Sewage and Drainage Board and the Greater Vancouver Water Board have asked that I work for the extension of this very practical form of assistance, or at least attempt to learn what alternatives the government has to offer before the legislation expires in March, 1970, and all significant municipal service projects come to a halt. The government has proclaimed that it is concerned with the problems of urban living. Daily we hear questions underlining problems of pollution, housing and of an insufficient supply of economically priced serviced land for homes. The recent housing task force report recommends at page 43 as follows:

> The federal government should make direct loans to municipalities or regional governments to assist them in assembling and servicing land for urban growth.

The imminent effect of the expiry of the forgiveness provisions of the municipal loan fund, without any word from the government about the specifics of alternative proposals or expanded assistance to accomplish precisely what the task force recommendation envisages, is of concern to many municipal leaders and is, I think, an apparent conflict with the recommendations of the task force.

I should like to quote from a recent Canadian Federation of Mayors and Municipalities press release which will illustrate what I have been saying:

> The Federation, again speaking for the municipalities of Canada, states emphatically that the National Housing Act program which provides for loans, and the forgiveness of a percentage of these loans, for the servicing of land (trunk sewers and sewage treatment plants) must be continued if Canada's minimum housing needs are to be met.

• (10:10 p.m.)

> In addition, the Federation states that this program must be expanded in order to enable the municipalities to assist in achieving a much higher production of housing to substantially reduce the current shortage.
>
> It should not be forgotten that this shortage is, in itself, a major contributing factor to the high cost of housing and that, in order to be able to properly service the land needed for the new housing stock, the municipalities require this kind of financial assistance.
>
> The municipalities are gravely concerned that the task force report implies a termination of this program, without any proposal for its substitution by a program of superior value. The Federation cannot agree with any policy that would see this program terminated.

Neither would I, without a suitable alternative. I hope then that the minister is able to provide the house with definite and detailed answers, because if the housing problem is urgent then I submit to you that my question is equally urgent.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): On behalf of the Minister of Transport (Mr. Hellyer) I would like to say that the information available to me indicates that already more than 1,400 loan approvals totalling approximately $300 million have been granted to about 900 municipalities in all provinces since the scheme referred to by the hon. member was introduced in 1960.

The possibility of continuing the extension of the 25 per cent loan forgiveness provision for municipal capital works projects is currently being examined, and a decision on this is expected at a later date.

INDUSTRY—DEVCO—COMPULSORY RETIREMENT OF MINERS

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, since October 1 I have been putting questions to the minister in charge of the Cape Breton Development Corporation and objecting to the compulsory part of the pre-retirement leave plan of Devco. It

is because of my objections to this portion of the plan, which will compulsorily retire men at the age of 60 from their work in the Cape Breton coal mines, that I have been persistent in bringing this matter to the attention of the minister.

On October 1 Devco submitted their pre-retirement leave plan to the government and on page 3, paragraph 3 of the press release concerning the plan, reference is made to the fact the plan is authorized under section 18 of the act. Section 18 of the act does not authorize anything. This plan cannot be officially sanctioned until the Treasury Board approves it. Confirmation of this fact can be found in the act where approval of the Treasury Board is made absolutely necessary to sanction this plan.

I have continued to object to the compulsory part of this plan, and to certain other developments the most recent one of which is the notice sent out to the employees who would be either compulsorily or voluntarily retiring under the plan to which a question and answer section was attached by Devco. I find a mistaken statement in it according to which the false impression is left that the bill as approved by parliament is now law, and that it supersedes collective agreements. This is a mistake because, to my knowledge, that bill did not become law until today. It is a matter which the minister assured me yesterday the Treasury Board will look after, and I understand this has been the case.

I continue to object to the early and compulsory retirement of miners and Devco employees at the age of 60. I ask that the minister, at his convenience, provide the house with information as to whether Devco will have to give a further notice because, after all, since the legislation became effective only today it follows that another notice will be required. Yesterday the minister indicated this might be the case when he referred to the fact that there was no reason why the notices sent out to the miners and employees involved could not be cancelled.

I do not wish to address my remarks solely to the parliamentary secretary, but also to others who are listening and who can possibly take action on this situation. Devco and the government should withdraw the compulsory element in this early retirement plan for obvious reasons. For one thing, unless it is withdrawn, those concerned are denying the statement made by the minister on January 14.

[Mr. MacInnis.]

This brings me to another matter which makes the communication of October 1 wrong. Since then, on many occasions and as late as January 15, the minister has reported that negotiations were still being carried on with one of the unions affected. Since these negotiations are in progress the announcement by Devco of the pre-retirement plan is not in accord with the facts. The minister indicated on January 15 that this matter was still being dealt with. I refer to page 4327 of *Hansard* where the minister is reported as saying, in answer to questions about the retirement plan and negotiations with the unions:

> Yes, Mr. Speaker, negotiations are still going on. I think the union representatives are attending a meeting this week or next week.

Again, this would indicate that the facts as presented by Devco were not accurate, or not in accord with what the minister was telling us.

Another reason why the compulsory element should be withdrawn, is this. On page 4245 of *Hansard* of January 14 I am recorded as having asked the minister whether Devco would honour the general agreements which were in effect at the time it took over from Dominion Coal. The minister answered as follows:

> Mr. Speaker, I do not know all the implications of the question. I should look into it and I may answer tomorrow.

Here are the important words in the minister's answer:

> In principle I say that the corporation should keep its word and live up to its agreements.

I would, therefore, ask the government and those people who are well aware of the situation in Cape Breton to reconsider this plan for compulsory retirement at the age of 60 and allow men from 60 to 65 to continue to work if they wish to do so. Otherwise, the government is about to participate in an unheard-of form of discrimination. Hon. gentlemen opposite are supposed to be struggling to do all they can for older workers, yet they are about to launch a program directly against people who wish to continue to work in some categories where they are experiencing their peak earning years. I would respectfully ask the Parliamentary Secretary to report to the minister and ask him to assure the older workers in Cape Breton that his statement of January 14 will be acted upon and that Devco will honour the agreements in effect at the time of the take-over from Dominion Coal.

Time does not permit me to go into some of the other objections I have to what is going on in respect of the early retirement plan but I assure the minister I shall continue to put them before him at every opportunity.

Mr. Russell C. Honey (Parliamentary Secretary to the Minister of Regional and Economic Expansion): Mr. Speaker, I think there may be some confusion. I should like briefly in the time available to me to outline the steps taken with reference to this plan. The hon. member has been fair in expressing his concern, but I also believe he is acquainted with the background situation and the reason for the establishment of Devco Corporation and the steps it has taken.

The plan we are talking about is, of course, well known to the hon. member and to all members of the house. This has been the case since November 18 of last year when it was tabled in the House of Commons. The formal step to implement the plan—in effect, to permit payment of moneys under the plan—was taken today. Section 18, subsection (3), of the legislation provided that this step could be taken only with approval of Treasury Board, and as my hon. friend has mentioned this step was taken today.

• (10:20 p.m.)

My hon. friend referred at some length to what he called the compulsory retirement of miners at age 60 and over. As I mentioned when replying to the question a couple of days ago, it is rather interesting that in the age group 55 to 59, where the workers have an election to remain as employees or to take a pension, 77½ per cent of the employees indicated to Devco that they would like to take the retirement plan. I mention that because I think it is important in light of what my hon. friend has said. I think it would be a fair inference to draw, and I would be prepared to draw it, that if an election were given to those in the age group 60 and over, the percentage would be somewhat higher than the 77½ per cent in the case of those employees in the 55 to 59 age group.

My hon. friend also mentioned the question of notice, and I can assure him on that. The legislation does not provide any requirement for notice to be given. The letters that were sent out to the employees were sent as a matter of courtesy only. The letters were quite explicit that the notice was conditional upon the plan being approved; it was necessary, of course, that the plan be approved by Treasury Board. Therefore, Devco could in fact have implemented the plan without any notice. I think it would have been unfair for them to have done so, but under the law they could have done so. I feel that they have been very fair in giving a month's notice of their intention, because it was not necessary for them to give this notice.

Since my hon. friend has on other occasions raised the question of the legality of the action of the Devco corporation, I should like to tell him I have been assured by the law officers of the crown that every action has been entirely proper and legal. As I have already indicated, the notice that was given was as a matter of courtesy only. To answer my hon. friend's question specifically, there is no requirement for additional notice to be given.

Motion agreed to and the house adjourned at 10.26 p.m.

29180—486

HOUSE OF COMMONS

Friday, April 18, 1969

The house met at 11 a.m.

ROUTINE PROCEEDINGS

[*Translation*]

FINANCE, TRADE AND ECONOMIC AFFAIRS

Seventeenth report of Standing Committee on Finance, Trade and Economic Affairs, in French and in English—Mr. Gaston Clermont (Gatineau).

[*Editor's Note: The text of the foregoing report appears in today's Votes and Proceedings.*]

[*English*]

NATIONAL DEFENCE

NATO—PRESS RELEASE RESPECTING CANADIAN PARTICIPATION

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, under Standing Order 41(2) I should like to table the statement released by the office of the Prime Minister on April 3, 1969 with regard to Canada's participation in NATO.

Perhaps while doing so I could call the attention of hon. members to the fact that the Notice of Motion on the participation by Canada, in NATO, which will be dealt with on Wednesday and Thursday of next week, is on the notice paper, and since that debate will refer at least in part to this particular release I suggest it might be helpful to hon. members if the text of the statement were made available as an appendix to *Hansard*.

Mr. Speaker: Is that agreeable to hon. members?

Some hon. Members: Agreed.

[*Editor's Note: For text of press release, see Appendix.*]

AIRPORTS

MONTREAL—TABLING OF HIGGINS REPORT ON SELECTION OF SITE

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Regional and Economic Expansion): Pursuant to Standing Order 41(2) I should like to table a copy of the Higgins Report regarding the selection of an international airport site in Quebec. I might mention, Mr. Speaker, that a request for this report was contained in Notice of Motion No. 95 by the hon. member for Oshawa-Whitby. This tabling conforms also, of course, with that request.

ORAL QUESTION PERIOD

AIR CANADA

STEPS TO PREVENT MECHANICS STRIKE—LEGISLATION TO PROTECT PUBLIC INTEREST

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to direct a question to the Prime Minister. Can he tell us about the status of the Air Canada dispute at the moment? What steps, if any, are being taken to persuade the parties to resume negotiations and prevent a strike which would undoubtedly cause serious inconvenience to thousands of Canadians?

I realize that the Minister of Labour may have pressing reasons for being away but I should like to ask whether, in particular, the Minister of Labour has been requested to return and take a hand in the settlement of this dispute before any strike takes place.

Right Hon. P. E. Trudeau (Prime Minister): Of course, Mr. Speaker, the Department of Labour has been involved at appropriate stages in attempts to settle the dispute and the Acting Minister of Labour has been assisting in every way he can.

Mr. Stanfield: Can the Prime Minister say whether the Minister of Labour himself will be returning to take charge of the dispute? I ask that particularly in view of the fact that the Prime Minister's intervention yesterday seemed to make what was a probable strike almost inevitable. I wonder whether the Prime Minister would make certain that he has the advice of the Minister of Labour with regard to this matter, particularly before making further interventions.

Inquiries of the Ministry

Mr. Trudeau: Mr. Speaker, I wonder whether the Leader of the Opposition is advising the government that we should have avoided the strike by accepting the demands of the union.

Mr. Stanfield: I should like to feel assured that the Minister of Labour would be at hand to take charge of this difficult situation.

Mr. David Lewis (York South): Mr. Speaker, on the same subject I should like to ask the Prime Minister the following question. In view of his statement yesterday that Air Canada was an independent crown corporation and that the government should not intervene in the negotiations, would the right hon. gentleman inform the house whether his question today, whether we—namely the government—should accept the union demands, and his statement yesterday coming down straightforwardly on management's side, is intended to assist in the settlement of the dispute, and whether he or some part of his government will try to get the parties together this week end to negotiate freely, as he suggested yesterday they should?

Mr. Trudeau: I suppose, Mr. Speaker, my answer was of the nature of the question by the leader of the New Democratic party. I think neither was intended to assist in solving the dispute. The dispute will be solved, if at all, by the parties negotiating directly.

What was the latter part of the question?

Mr. Lewis: Yesterday the Prime Minister placed himself directly on management's side in this particular dispute by saying that management had been very generous and that the government would not have been as generous. I am asking the Prime Minister whether he thinks that this kind of statement by the government—should accept the union demands, crown corporation can be helpful in settling the dispute; or will the government take the completely neutral position that it ought to be taking and get the parties together to settle this dispute themselves.

Mr. Trudeau: The government is taking a completely neutral position, Mr. Speaker.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, may I direct a supplementary question to the Prime Minister. Has the government considered bringing in legislation similar to that now being brought in by the Labour government in the British House of Commons which will have the effect of preserving and protecting the public interest against strikes that embarrass and stifle the economy. I am sure if the government does that my hon. friends to the left will support its action, and I make this suggestion in that spirit.

Mr. Trudeau: As the right hon. gentleman knows, the task force has made certain recommendations in the area of strikes and services essential to the public. These recommendations are being examined by the government.

Mr. Diefenbaker: May I direct another question to the Prime Minister, Mr. Speaker. Because of the detrimental potential of strikes such as these would the Prime Minister consider bringing together in a strictly neutral attitude, which he advised the house today he has, representatives of the corporation and the unions and use the prestige of his office to prevent what would be a serious and catastrophic matter involving the welfare of the entire country?

Mr. Trudeau: No, Mr. Speaker. I have not considered that.

Mr. G. W. Baldwin (Peace River): In view of the absence of the Minister of Labour, I ask the minister if he would consider calling upon the services of the Minister of Communications (Mr. Kierans) whose tact and skill in labour negotiations are now receiving national recognition?

LABOUR RELATIONS

REQUEST FOR TASK FORCE REPORT ON PUBLIC INTEREST DISPUTES

Hon. Robert L. Stanfield (Leader of the Opposition): I should also like to ask the Prime Minister whether the government has given consideration to and reached any decision in connection with the recommendation of the task force on labour relations with regard to the establishment of a public interest disputes commission, dealing as it does with this type of problem.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the recommendations of the task force are being considered by the government.

AIR TRANSPORT

EXTENSION TO ATLANTIC PROVINCES OF CANADIAN PACIFIC AIRLINES FRANCHISE—SERVICE DURING AIR CANADA STRIKE

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, my question is addressed to the Minister of Transport, or perhaps I should address it to

the Minister without Portfolio who acts in that capacity. Has the government given consideration to extending the franchise of Canadian Pacific Airlines to the Atlantic provinces so that there will be two main line carriers in that area, and the situations that are likely to take place within the next few days will not totally incapacitate the people of that area from getting around?

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, the Canadian Transport Commission has been in touch with the other air lines. If requests are received from the other air lines to provide additional services the commission, whose primary responsibility is to serve the Canadian public, will, I am certain, give its consent to any reasonable requests for additional service to the public.

Mr. Nesbitt: Mr. Speaker, may I ask a supplementary question. That is not exactly what I had in mind. I want to ask the minister whether consideration is being given by the Department of Transport to extending permanently the franchise of Canadian Pacific Airlines to the Atlantic region so that there will be two main carriers in the area and so that in the event of a strike on the part of one airline or the other, service will be maintained to the public.

Mr. Richardson: Mr. Speaker, the commission can only consider applications and, so far as I know, there is no application.

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, may I direct a supplementary question to the Prime Minister. Would he advise us what action the cabinet committee he mentioned yesterday has taken on this important matter?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it has established certain contingency plans for eventualities to do with matters such as the transportation of mail or, in urgent circumstances, the transportation of people.

CHARLOTTETOWN-MONTREAL JET SERVICE

Hon. J. A. MacLean (Malpeque): Mr. Speaker, may I direct a question to the Acting Minister of Transport. Will he assure the house that the planned early commencement of direct jet service from Charlottetown to Montreal will not be jeopardized or delayed by the announcement of policy with regard to regional carriers made the other day by the chairman of the transport commission. Also, could this proposed service be advanced in view the probable impending strike?

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, I have been informed on this subject by the president of the commission, who has advised me that he made no statement which would jeopardize the actual proposal of Nordair and Eastern Provincial Airlines. I think the problem arose from the fact that the president of the Commission would not have been in favour of a merger. But they did not in fact propose a merger and therefore there was no statement that would jeopardize the service that has been referred to.

USE OF PRIVATE CARRIERS TO SERVE SMALLER CENTRES DURING AIR CANADA STRIKE

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, may I direct a supplementary question to the Acting Minister of Transport. In view of the immediate urgency of the strike situation has the government any plans to have Air Canada drop regional service to smaller centres, particularly those in the Atlantic region, and have private carriers take over that passenger service?

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, there are no specific plans of that kind.

Mr. Muir (Cape Breton-The Sydneys): A supplementary question, Mr. Speaker. In order to alleviate fears that exist in the Atlantic region and in smaller centres of Ontario would the acting minister or the Minister of Transport make a statement to the house to allay fears that we will lose the services of Air Canada in the Atlantic region.

Mr. Richardson: Mr. Speaker, the routes are determined by the air committee of the Canadian Transport Commission. Applications for routes come forward and are approved or not approved by the Commission. There is no directive by the government and no government policy that will remove Air Canada from the maritimes or from any route at the present time which is now being considered by the commission.

[*Later:*]

Mr. David MacDonald (Egmont): I wish to clarify the minister's statement to the effect

that if regional air carriers were desirous of providing additional service, that this would be considered. I wonder if the other side of the case will also be exercised whereby the minister, the department or the Transport Commission will ask regional carriers to operate services particularly in areas of important need? These will include parts of both western and eastern Canada.

Hon. James Richardson (Minister without Portfolio): I think the initiative must come from the regional carriers. The commission would not stand in the way of any reasonable request.

Mr. MacDonald (Egmont): A further supplementary question, Mr. Speaker. Are we to understand that neither the minister, his department or the Transport Commission will be assessing the need independently and make such requests to these air carriers?

Mr. Richardson: As I indicated earlier, Mr. Speaker, the commission has been in touch with the air lines and in consultation with them, but the request will still have to come from the regional air lines for services which they wish to provide. If they do, the commission will want to grant any reasonable requests.

POSSIBLE FATIGUE FACTOR IN JET PILOT OPERATIONS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Acting Minister of Transport. Since we have had assurance from the Prime Minister and others that other air lines will do their best where requested to take over during this emergency, will the minister make sure air line pilots, particularly jet pilots, are not required to spend long hours on duty in view of the great safety factor involved? I ask this question because of events that took place earlier this year concerning long hours that jet pilots were required to work on occasion, even on regular runs. There is a high safety factor.

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, I think the hon. member's point is well taken. I am certain the air lines themselves and the commission would want to be certain that the pilots do not work longer hours than they could reasonably undertake having regard to the safety of the travelling public.

NATIONAL DEFENCE

A.B.M. SYSTEM—REQUEST FOR STATEMENT CONCERNING SAFEGUARD SYSTEM

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): My question, Mr. Speaker, is directed to the Prime Minister. Some weeks ago he indicated the government was studying the proposed A.B.M. Safeguard system suggested by President Nixon. The Prime Minister indicated at that time that he was going to see whether the government should condemn the proposal or co-operate. I ask the Prime Minister if he has reached any conclusion with respect to this matter.

Right Hon. P. E. Trudeau (Prime Minister): We have not reached any conclusion yet, Mr. Speaker, but it seems the debate is going on well in the United States without us.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I am not concerned about the debate in the United States, Mr. Speaker. I am concerned about Canada's implications. I ask the Prime Minister if there have been any discussions at any level of government regarding the possibility of co-operation with respect to the A.B.M. system and NORAD. Also is Canada seeking any contracts for the construction of material to be used in the A.B.M. system?

Mr. Trudeau: I do not know the answer to that, Mr. Speaker. I know there is a question on the order paper along these lines which will be answered in due course.

Mr. David MacDonald (Egmont): As a supplementary question, Mr. Speaker, when the government will make its statement to the house or issue a white paper on North American defence could the Prime Minister indicate whether there will be a clear statement with respect to Canada's position on the A.B.M. question?

Mr. Trudeau: I hope so, Mr. Speaker.

[*Translation*]

PUBLIC SERVICE

INQUIRY AS TO BILINGUAL BONUS

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wish to direct a question to the Prime Minister.

In view of the fact that he stated recently that the bill on official languages might be introduced and studied within a few weeks, could the Prime Minister assure the house and federal civil servants that the promised 7

per cent bonus will be granted to bilingual civil servants before the languages bill is discussed in the house.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the bill in question has nothing to do with the 7 per cent bonus. Therefore, I do not see the connection between the two matters as implied by the hon. member.

[*English*]

REGIONAL DEVELOPMENT

AMHERST, N.S.—POSSIBLE CLOSING OF MARITIMES OPERATION

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, I have a question for the Parliamentary Secretary to the Minister of Regional Economic Expansion. Is the department giving consideration to closing out its maritime operations that are located at Amherst, Nova Scotia?

Mr. Speaker: I doubt whether this is a question that can be asked at this time. The hon. member may wish to have the matter debated at the time of adjournment.

Mr. Coates: On a point of order, Mr. Speaker, this is a very urgent matter so far as I am concerned. It is one that involves all three maritime provinces because the operations that are located at Amherst are involved in the plans that have been produced by the federal government to carry out its work in the Atlantic provinces.

Mr. Speaker: I understand the argument submitted by the hon. member, but I still feel that it is the type of situation that can best be discussed at the time of adjournment.

AGRICULTURE

POTATOES—STABILIZATION OF P.E.I. INDUSTRY

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I wish to direct a question to the Acting Minister of Agriculture. Can he assure the house that the government will approve some plan at a very early date to stabilize the potato industry in Prince Edward Island, as requested by a resolution of the legislature of that province?

Hon. Otto E. Lang (Acting Minister of Agriculture): Mr. Speaker, I will be glad to bring this question to the attention of the minister on his return.

INDUSTRY

DEVCO—COMPULSORY RETIREMENT OF MINERS—TREASURY BOARD APPROVAL

Mr. David Lewis (York South): Mr. Speaker, I would like to ask the Parliamentary Secretary to the Minister of Regional Economic Expansion if he can inform the house whether there was a by-law of Devco about compulsory early retirement of employees, and whether that by-law was approved by Treasury Board yesterday, as was suggested by the minister the other day?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I am pleased to inform the hon. member there was such a by-law enacted in accordance with the statute and that approval was given yesterday by the Treasury Board.

Mr. Lewis: As a supplementary question, if the approval for this plan was given only yesterday would the parliamentary secretary inform the house, if he has the information now, or undertake to obtain it, under what authority the corporation sent notices to the employees some weeks ago telling them that they were subject to this compulsory retirement, when the by-law had not been before the Treasury Board and approved?

Mr. Speaker: Order, please. I have the impression that the hon. member is asking for a legal interpretation.

Mr. Donald MacInnis (Cape-Breton-East Richmond): On a point of order, Mr. Speaker, the hon. member for York South is not asking for a legal interpretation. It is just a follow-up to a statement made by the parliamentary secretary last night in respect of information sent to the retiring employees, and I might say, Mr. Speaker, in this respect—

Mr. Speaker: Order. The hon. member now seems to be presenting an argument. This is not a point of order. He may have a supplementary question and I have no objection to that.

Mr. MacInnis: Mr. Speaker, I will put a supplementary question to the Prime Minister. Will he request the crown company to withdraw the compulsory aspect of its pre-retirement leave plan? Mr. Speaker, I will put a separate question to the Prime Minister. Does he support this form of discrimination?

Mr. Speaker: Order, please.

Inquiries of the Ministry

Mr. Lewis: Mr. Speaker, perhaps I worded my question badly. I was not asking for any legal opinion. I was asking the Parliamentary Secretary whether he could tell the house under what authority the corporation sent out the notices, and whether authority had been sought from the minister, the government or the Treasury Board before those notices went out?

Mr. Honey: Mr. Speaker, the notices to which my hon. friend refers were in fact letters to the employees in question advising them of the proposed plans. It was I think evident from reading the letters that this was contingent upon approval of Treasury Board. They were sent as a matter of courtesy only, so that the best possible notice could be given the employees of the intention of Devco. There is no statutory or other requirement that such notice be given; it is entirely a matter of courtesy.

Mr. MacInnis: Mr. Speaker, I rise on a point of order. I do not know how the rules will permit me to go about informing the minister, the Prime Minister and the parliamentary secretary that the information they are now giving the house is not in accord with the facts. All they need do is read the letter put out by Devco—

Mr. Speaker: Order, please. The hon. member for Prince Albert.

[*Later:*]

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I rise on a point of order regarding information given to the house by the government about letters concerning employees of the Devco corporation dated March 26 in which the statement is made that the pre-retirement leave question has been approved by the government. This is a complete contradiction to the facts, and I once again ask the Prime Minister to stop this discrimination.

GRAIN

WHEAT—SUPPORT PRICE AND TWO-PRICE SYSTEM

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I direct my question to the Acting Minister of Agriculture. In view of the statement he made in Saskatoon that farmers need a strong voice to plead their case I should like to know what the voice is of the Acting Minister of Agriculture in connection with the request of the government of Saskatchewan and the legislature for a support price on export wheat and a two-price system. In view of his statement in Saskatoon that it needs a strong man to speak out for western farmers will the minister now let the house know what the situation is.

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): I assume the minister knows the position in which I find myself now is that my voice is exercised in consultation with my colleagues and when there is government policy to be announced it will be announced.

Mr. Diefenbaker: I apologize for accepting his own view, that his was a strong voice.

LABOUR CONDITIONS

UNEMPLOYMENT IN ATLANTIC AREA

Mr. Charles H. Thomas (Moncton): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion, but in the minister's absence I should like to direct it to the Prime Minister. Since the latest D.B.S. figures show that unemployment again increased in the Atlantic area, that the number of employed people decreased during the month of March and that 10.8 per cent of the labour force in the Atlantic area is now unemployed, what steps has the government taken to alleviate this critical situation in the Atlantic area?

Mr. Speaker: Order, please. It would seem that the hon. member has restated a question asked in about the same terms yesterday.

Mr. Thomas (Moncton): Mr. Speaker, perhaps I might rephrase the question. Can the Prime Minister give the house any indication as to when the industrial incentive legislation as announced in Halifax Wednesday night by the Deputy Minister of Regional Economic Expansion will be introduced in the house.

Right Hon. P. E. Trudeau (Prime Minister): The member might wish to add to his statistics that since last June the unemployment figures have fallen from 5.4 per cent to 4.2 per cent.

Mr. MacEwan: I have a supplementary question, Mr. Speaker. Is the Prime Minister aware—

Mr. Forrestall: You don't care about it.

Mr. Speaker: Order, please. Has the hon. member a supplementary?

Mr. H. Russell MacEwan (Central Nova): Yes, Mr. Speaker. I wonder whether the

Prime Minister is aware that the unemployment rate in the Atlantic area has risen since—

Mr. Speaker: Order, please. The hon. member for Vancouver-Kingsway.

CONSUMER AFFAIRS

LUMBER—REQUEST FOR INVESTIGATION OF PRICE INCREASE

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my question is for either the Prime Minister or the government house leader. In view of the fact that it is utterly impossible to direct any question on the matter of housing before next Tuesday, although the minister is supposed to be here, and perhaps not even next Tuesday—and even then it would only be directed to the half of the minister dealing with housing—will the government give consideration to the question of housing by appointing a whole minister to look after it.

Mr. Speaker: Order. The hon. member's question is only half in order.

Mrs. MacInnis: Mr. Speaker, I have a supplementary—

Mr. Speaker: Half a supplementary?

Mrs. MacInnis: If the minister in charge of housing is to be away periodically may I ask whether the government will please designate somebody who is supposed to look after our questions in this regard.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, perhaps I might point out to the hon. member that the Minister without Portfolio from Manitoba is prepared to answer questions about that department. If the hon. lady is concerned about a particular question she might give notice of it.

Mrs. MacInnis: I certainly am if I could ask it because I had it ready for today. I shall direct it to the Minister without Portfolio. In view of the sharp rise in the first quarter profits of leading lumber producers in British Columbia, coupled with the sharp increase over the past year in the price of lumber and other building supplies, will the minister urge upon the Minister of Consumer and Corporate Affairs the need for action to roll back the price of such building materials needed to meet the housing shortage.

Mr. Speaker: Order, please. The hon. member's question is rather in the form of a representation. She can assume it has been noted.

Mrs. MacInnis: Will he himself undertake to discuss with these British Columbia lumber firms the need for restraint in the matter of the prices of their products to keep down inflation?

[*Translation*]

NATIONAL PARKS

SALE OF LANDS BY QUEBEC TO FEDERAL GOVERNMENT

Mr. René Matte (Champlain): I wish to direct a question to the Minister of Indian Affairs and Northern Development.

Could he tell us whether the Quebec government opposed the sale to the federal government of land owned by the Quebec Seminary?

Mr. Speaker: The question should be put on the order paper or discussed at the time of adjournment, should the hon. member prefer that.

[*English*]

INQUIRY AS TO NINETY-NINE YEAR LEASE

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. In relation to the minister's reply to my question yesterday concerning the leasing of lands by a provincial government for the establishment of national parks, can the minister say whether a 99-year lease of land will be acceptable from any province.

Mr. Speaker: Order, please. I am not sure whether the question is one of urgency. The hon. member might place it on the order paper.

[*Later:*]

Mr. Robert Simpson (Churchill): Mr. Speaker, I rise on a question of privilege regarding Your Honour's suggestion that my question should be placed on the order paper. I realize I must accept your suggestion but it seems quite evident that questions which are not very urgent and are placed on the order paper remain there for some time. I am still waiting for an answer to a question I placed on the order paper on January 29.

Mr. Speaker: I might suggest to the hon. member that if he thinks it is taking too long to get the reply to which he is entitled he can always give the Chair notice of his intention

to debate the matter at the time of adjournment. This provision is really a protection for hon. members.

TRANSPORT

ACTION ON MEASURE RESPECTING MARITIME FREIGHT RATES

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Acting Minister of Transport. Will the minister make a clear and definite statement with regard to the government's intention in respect of Bill C-182 regarding the Maritime Freight Rates Act to alleviate the fears of truckers and shippers in that area. I ask the question because the Minister of Transport along with six other ministers is away again on a day when he should be here evidently with the approval of the Prime Minister.

Hon. Donald S. Macdonald (President of the Privy Council): All the departments in question are represented here today.

Mr. Bell: Not very well.

An hon. Member: Half represented.

NATIONAL CAPITAL

REQUEST FOR CONSIDERATION BY PARLIAMENTARY COMMITTEE

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question which I intended to direct to the minister who reports on National Capital matters. I do not see him in the house. Perhaps I might be allowed to address this question to the Prime Minister. What consideration is being given to implementation of the policy endorsed by the last parliament which called for the establishment of a parliamentary committee to deal with National Capital matters?

Right Hon. P. E. Trudeau (Prime Minister): This is not a day when this department is to answer questions in the house, Mr. Speaker.

FINANCE

SUGGESTED REMOVAL OF SALES TAX ON BUILDING MATERIALS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister without Portfolio acting on behalf of the minister in charge of housing. In view of the sudden and astronomical rise in the price of wood used as building material, will the government give consideration to eliminating the 11 per cent sales tax on building materials.

Mr. Speaker: Order.

[Mr. Speaker.]

DEFENCE PRODUCTION

SEA TRIALS OF HYDROFOIL

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is not of earthshaking urgency, but I should like to ask the Minister of National Defence, in light of the very great concern and interest, whether he could indicate briefly to the house the degree of satisfaction there has been from the sea trials of the Canadian hydrofoil, the *Bras d'Or*?

Mr. Speaker: Order, please. I am not sure the question as asked has really the degree of urgency that would qualify it as a question acceptable at this time.

AIR CANADA

POSSIBILITY OF MECHANICS STRIKE— SHIPMENT OF PERISHABLE COMMODITIES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, yesterday the Prime Minister said that a committee of cabinet is embarked on contingency planning in the event that unfortunately a strike should take place in Air Canada.

In view of the fact that a great many people across Canada are concerned about the shipment of perishable commodities, can the Prime Minister indicate who is the chairman of that committee and to whom representations should be made in the event people run into serious problems in respect of the shipment of those commodities?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, representations should not be made to the chairman of the committee, but rather to the Minister of Transport.

INCOME TAX

COLLECTION OF SOCIAL DEVELOPMENT TAX BEFORE APPROVAL

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, in the absence of the Minister of Finance I should like to direct my question to the President of the Privy Council. When does the government intend to bring forward legislation regarding the so-called social development tax? Does the government consider it appropriate to collect this tax indefinitely without parliamentary authorization, or is it considering the abandonment of the tax?

Hon. Donald S. Macdonald (President of the Privy Council): No, Mr. Speaker. I anticipate that the bill will probably be put before the house within the next two or three weeks. There are very elaborate taxation provisions in respect of life insurance companies which require a great deal of effort on the part of draftsmen.

NATIONAL REVENUE

CLOSING OF CUSTOMS OFFICES IN SOUTHWESTERN NOVA SCOTIA

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I should like to ask a question I have asked on two other occasions. I asked the question in French on those occasions and have been trying to get an answer since February. Perhaps I should now ask it in English. How many customs offices in Nova Scotia, particularly in the Southwestern part, are to be closed? I was not able to get an answer earlier. That is the reason I ask this question again.

[*Translation*]

Hon. Jean-Pierre Côté (Minister of National Revenue): Mr. Speaker, I was certainly not in the house when those questions were asked in French, because I understand French a little better than English.

[*English*]

However, I can inform the hon. member that there are supposed to be 69 customs offices closed in Canada. A decision has been made in respect of only 15 of these. Before they are closed we will have discussions with every member of constituencies in which these customs ports exist.

NATIONAL PARKS

ALTERATION OF LAND TENURE PRINCIPLE

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, now that the government has decided to alter the land tenure principle of national parks to meet the special circumstances of the Quebec Civil Code, will the Minister of Indian Affairs and Northern Development give the same consideration to the special circumstances regarding western parks, particularly in those areas where alienation took place prior to 1930?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): I do not know, Mr. Speaker. I will consider the question asked by the hon. member. The Code Napoleon applies in the province of Quebec and if Manitoba wants to adopt it, the proposal will be considered.

[*English*]

Mr. Dinsdale: Ten o'clock, Mr. Speaker.

FISHERIES

DISCUSSIONS RESPECTING IMPLEMENTATION OF GOVERNMENT PROGRAM

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I should like to direct my question to the Minister of Defence Production who, I presume, is acting on behalf of the Minister of Fisheries, in his absence. Has the minister met with representatives of the fishing industry to iron out some of the difficulties which have arisen as a result of the implementation of the government's program of aid to the industry, and what was the outcome of these discussions?

Hon. Donald C. Jamieson (Minister of Supply and Services): Yes, Mr. Speaker, there has been a series of meetings. I believe I revealed that there was a meeting on Monday with Newfoundland representatives. There have also been conversations with representatives from the maritime provinces, and representatives from the department have been in the maritime provinces for personal consultations. The mechanics of this scheme have virtually been completed now and we are hopeful that the details can be disclosed some time during the coming week.

REQUEST FOR ANNOUNCEMENT OF SALT FISH POLICY

Mr. James A. McGrath (St. John's East): Mr. Speaker, can the minister tell the house whether a date has been set by the government to announce the new salt fish policy and, more particularly, the date for the establishment of the salt fish marketing board as suggested by the Minister of Finance?

Hon. Donald C. Jamieson (Minister of Supply and Services): No, Mr. Speaker; no specific date has been set. Again, as with the fresh fish industry, there are some details of the mechanics which have to be discussed with the fishermen and the trade. These discussions are taking place at maximum speed. The objective is again to make an announcement, hopefully within the next week or so.

Criminal Code

AIR CANADA

WINNIPEG—TRANSFER OF BASE TO NORTHWEST INDUSTRIES LTD.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to address my question to the Minister without Portfolio from Winnipeg in his capacity as Acting Minister of Transport. I asked a question of the Minister of Transport two days ago concerning the steps being taken by the government to make sure that the employees affected by the transfer of the Air Canada base at Winnipeg to Northwest Industries will not be either unemployed or forced to accept lower wages than they have been paid by Air Canada. The minister said he hoped to be able to give me that information in a couple of days and I am wondering whether it is now available?

Hon. James A. Richardson (Minister without Portfolio): No, Mr. Speaker. As the hon. member has pointed out, the question was asked only two days ago. It is unnecessary to point out to the hon. member that Air Canada has had other matters to think of in the last two days. There is no further information relating to his question at this time.

• (11:50 a.m.)

[*Translation*]

GOVERNMENT ORDERS

CRIMINAL CODE

REPORT STAGE

The house resumed consideration of Bill C-150, an Act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs. And the motion of Mr. Laprise:

That Bill C-150, An Act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting in clause 7 paragraph (b) of subsection (1) of the proposed new section 149A.

Mr. Gérard Laprise (Abitibi): Mr. Speaker, when the house adjourned last night, I was explaining why I had introduced amendment No. 6, to delete from clause 7 of Bill C-150 paragraph (b) of subsection (1) of the proposed new section 149A of the Criminal Code.

The amendment to the Criminal Code would thus read as follows:

"149A. (1) Sections 147 and 149 do not apply to any act committed in private between
(a) a husband and his wife.

Mr. Speaker, my purpose is to determine and attempt to prevent the danger that could stem from the amendment to the Criminal Code before us.

Many people in Quebec and across Canada have been and still are wondering what the government is aiming at with such drastic changes in the Criminal Code, particularly on the matter of sexuality.

I have here an editorial written by Roger Bruneau, in the Quebec newspaper *L'Action*, of December 26, 1967, at the time when our present Prime Minister, then Minister of Justice, introduced the first amendment to the Criminal Code, now before us.

Here is what Roger Bruneau had to say on the subject, and I quote:

Other aspects of the Trudeau bill are shocking public opinion, such as the legalization of homosexuality between consenting adults. On this subject, Mr. Trudeau has stated that the state has no business in the bedrooms of the nation. We could also wonder whether the "present" state has any business in the federal legislative assemblies. The fact is that Ottawa is following closely the example given by Great Britain on legal morality. In London, they have abolished the death penalty, and they have legalized the sale of contraceptives, homosexuality, abortion, etc.

For the sake of the public interest and to protect itself against the excesses of the present government, the Canadian people must react energetically to make Ottawa understand that they will not let anything go by without being first consulted. It is too bad if the Pearson Liberal government finds itself in an embarrassing situation, but public interest has priority over that of the party; either the bill is withdrawn, or members of parliament are allowed to vote freely on that matter, or the opposition parties will have to unite and overthrow the government when a confidence motion is introduced on that bill.

Mr. Speaker, that is the opinion of an editor who speaks for and to his readers.

At this stage of the debate, Mr. Speaker, I should like to deal with the manner in which the house should act when it is time to vote on the amendments relating to clause 7 as well as clause 18 of the bill now before us.

Now, I want to quote what the Minister of Justice (Mr. Turner) said in the house on January 23, 1969, as recorded on page 4718 of *Hansard*. I quote:

Some hon. members have had to struggle with themselves to accept this bill. Some have had to

struggle mightily because it deals with fundamental concepts. I understand this, and the Prime Minister and members of the government understand it. I hope nothing I say today or in the later stages of this bill will give any member any impression other than that I deeply respect the consciences and private convictions of all hon. members.

Mr. Speaker, in my opinion, it means quite simply that the government members are compelled to vote unanimously for any government proposal, especially in the case of Bill C-150.

On the following page, in the first column, the minister made it quite clear, and I quote:

I want to say, too, that the government fully endorses this bill.

Mr. Speaker, this means that the members are compelled to vote as the cabinet says. This is a government bill and the back-benchers know that they must comply with the instructions of the cabinet.

The quotation continues as follows:

It bears the government stamp and will be supported by the government.

This is the third statement in the same paragraph which clearly proves that the government does not give any choice to the members of its party. And the quotation goes on:

We feel bound to the bill as the principal item of social reform in this session of Parliament.

Mr. Speaker, I wonder how clauses 7 or 18 can improve our social legislation.

As my colleagues from Lotbinière (Mr. Fortin) and Portneuf (Mr. Godin) pointed out yesterday, there are many other bills to be passed and many other reforms to be made to our social system so that our fellow-citizens may have better living conditions thanks to the opportunities Canada can offer them.

Canada is going through a sexual crisis the causes of which should be looked into. In some cases, for instance, young people must live in abnormal conditions due to inadequate housing. Our recreational associations should be improved in a way to insure the intellectual and physical training of the young. Children and teenagers have no other place to play than the street and the bars we find there.

In my opinion, Mr. Speaker, the government should, if necessary, get busy in conjunction with other provincial governments to reform our social laws.

The minister continues and I quote:

It is identified with our Prime Minister and party.

Here is another indication that these members must follow party policy.

Most ironically, he says in the same paragraph:

We believe it has been tested favourably with the people of Canada and has met the approval of the people in a general election.

• (12 noon)

Mr. Speaker, that is the height of irony. Never, as far as I know, during the last election campaign, has the present government or the Liberal party requested a free hand from the Canadian people to legalize homosexuality or abortion.

If the Liberal party had, through a referendum, consulted the Canadian people who in turn had expressed their views on as clear a subject as the bill under consideration, then we could know exactly what the Canadian people think of the government's reform proposals.

Before going too far in that respect, the government should have held a referendum, and in so doing allow the Canadian people to have their say on the matter if it will not permit hon. members on the government side to decide according to their conscience when that bill is voted on.

Mr. Speaker, if such a referendum were held, I think the government would be in a bad situation and would have trouble getting some clauses of Bill C-150 adopted. It is willing to examine everything the English do in Great Britain, and as Mr. Roger Bruneau wrote in an editorial, we try to ape everything they do, perhaps because we think they are more civilized than we are and we hope to improve ourselves by imitating them.

Before concluding, I would like to quote some excerpts from another lead article written by Mr. Raymond Lacoste, a Parisian journalist, at the time homosexuality was legalized in England. Here is what he said:

The debates enlightened us on the seriousness of the evil. 50 to 60 million unnatural acts are committed every year. The number of sexual crimes which amounted to 5,000 a year in 1939, had reached 20,000 in 1964; in the same period, acts of violence increased from 2,900 to 23,470, and the total number of criminal acts, from 303,000 to more than a million a year. But in the case of homosexuals, the legislation was obviously not enforced since only 1,300 actions and less than a hundred convictions were recorded. Judges were rather lenient though policemen did not mind arresting very honourable gentlemen (such as the former leader of the Liberal party caught in a street urinal in Leicester Square, and who had the good idea of dying of apoplexy the day before his trial.)

A Tory member, Sir Cyril Osborne, said: "I have had enough of this democracy which is too lenient with prostitutes, pimps and procurers."

An honest Labour member, Mr. Tommey, added: I protest against the tone of alleged intellectual superiority adopted by the supporters of the bill. What those people are in fact asking us is to allow male prostitution, when a few years ago parliament dealt severely with female prostitution and waged war against call-girls. But, today, by a strange aberration of mind, British legislators are being more indulgent for unnatural acts than for acts which, though they are in a way sinful, are after all natural.

Raymond Lacoste continues in a kind of humorous vein that draws tears rather than smiles:

We were entertained during the debates with "serious" considerations. Needless to say that when the vote was taken, the handsome young men whose eyes were painted with Kohol and who were huddled up in the galleries burst into applause so great was their joy!

The lawyers of the dear boys put up all kinds of arguments ... Mr. Wood seriously asserted that homosexuality does not entail the danger of illegitimate children! And what is the use of sending an uranist to prison? Is it not like sentencing Don Juan to a few years in a harem?

Mr. Speaker, these few remarks clearly show that the amendment to the Criminal Code that we want to bring in involves all kinds of dangers and may lay this government or even Canada open to ridicule, which we would bitterly regret in the next few years.

It is my opinion, Mr. Speaker, that we should give special consideration to amendment No. 6, since it purports to amend sections 147 and 149 only, which now read as follows:

147. Every one who commits buggery or bestiality is guilty of an indictable offence and is liable to imprisonment for fourteen years.

149. Every one who commits and act of gross indecency with another person is guilty of an indictable offence and is liable to imprisonment for five years.

Mr. Speaker, the amendment which I move would have the effect of deleting paragraph (b) which reads as follows:

(b) any two persons, each of whom is twenty-one years or more of age,

That would mean that section 149A would apply only to husband and wife. The amendment should therefore be considered seriously and I would be glad to hear the comments of hon. members on that matter.

[*English*]

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I shall not be here next week when the vote on the bill before the house takes place. I want to make it clear at once that with the inclusion of the homosexual clauses and the free-love abortion clauses I would be voting against the bill despite the fact that there are many of its provisions which deserve my support and would otherwise receive it.

I wish to explain at once that the reason for my absence, and I trust it will be regarded as a reasonable excuse. The legislature of Saskatchewan will on Tuesday be unveiling a bronze sculpture of me. I tried to get into that institution for a period of four years on two occasions. Now I am to become permanently included in it.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I am glad hon. members agree that my absence is excusable in the circumstances.

I wish to say I have been impressed by the arguments advanced and by the speeches made during the course of the debate. My hon. friend, the hon. member for Calgary North (Mr. Woolliams), and those associated with him have placed their views before us, as have hon. members supporting the government and those speaking for other parties, in a reasonable and responsible manner.

These are subjects which naturally arouse strong emotional opinions. On the one hand there are those who found their case on sociological advance—the new world. It certainly is not a just society that these things will bring about but a hard society. There is no widespread request that these matters should receive attention from parliament. Last year, I believe on December 13, I spoke and pointed out that it was a strange commentary on the attitude of the present administration that with great economic problems facing the nation the government seemed irrevocable in its determination to bring in these two items.

It is interesting to read the arguments advanced yesterday by the Minister of Justice (Mr. Turner). He has argued better cases. I doubt that he ever went through a more trying or introspective examination than when he made his speech yesterday. Indeed, as I read it I was reminded of the schoolmen in the middle ages who, incidentally, brought about the first student riots. Students refused to attend lectures and rioted because so much time was devoted to such metaphysical arguments as the number of angels who could occupy the head of a pin. The arguments advanced yesterday by the hon. gentleman bore a strange and peculiar resemblance to some of the arguments that were advanced by the schoolmen.

[Mr. Laprise.]

• (12:10 p.m.)

I do not intend to speak at length today, but as a brother member of the bar of Ontario and as a member of Grays Inn, of which I am honoured to be an honorary bencher, I can only say that it is with deep concern that I view a young member of this house with a distinguished past and, I hope, a distinguished future advancing the arguments he adduced yesterday. It must have been difficult, but after all in the shadows stands the Prime Minister (Mr. Trudeau) keeping watch upon his flock. He insisted on this. We endeavoured to make it possible for a reasonable vote to be taken in the house, making allowances for the differences we naturally have on a matter that has caused concern to theologians and philosophers throughout the years right from the time of Machiavelli who, incidentally, the Prime Minister said some months ago was his favourite politician.

It is of interest that we now see something of what is happening under the new committee system which was going to be the rebirth of parliament. Those of us who have been here for many long years will always recognize that changes must be made. The new committee system received its baptism in the presentation of this bill to a committee of the house. Some amendments were permitted. But when it came to homosexuality and abortion the government's answer, in effect, was: "So far, no farther; don't touch".

Why this solicitude for these matters to be legalized? The minister says that they are not legalized but that from now on they will not be subject to penalty, even though they may still be immoral—if I understood the argument he advanced yesterday. We now know why it was that the government refused to divide the bill. The steamroller was at work. The government said: "We care not what amendments you may make in regard to the other sections but when it comes to homosexuality and abortion the government stands firm."

I wonder what was the argument behind it. I have not yet been able to find out. Canadians have asked for action on other matters that effect the lives of individuals across the nation, but these matters are still in the hands of task forces or snoop groups. We have never had a government in the history of Canada that has sat on so many things, and I say that in the fullest sense of the word. Ministers divide on everything else but not on homosexuality and abortion. Is this not interesting?

On NATO they travel about the country adopting various attitudes. The latest example is a press release by the Department of the Secretary of State (Mr. Pelletier), and I had hoped that he would be here today. Recently he was out west, and I hope he comes back, but one more trip out west and there will be no Liberals elected next time. The Secretary of State came out with a classic. I should like to refer to a press release issued by the National Museums of Canada on the subject of aboriginal art. They did not know anything about aboriginal art until they got into the question of abortion—a classic analogy. The press release states that there is going to be a magnificent exhibition of Canadian aboriginal art at the Musée de l'Homme in Paris on March 25, and here is the last paragraph:

> —Canada will be represented by an official party headed by Secretary of State Gérard Pelletier who will open the exhibition. The party will include both Canadian and French cabinet ministers.

What nonsense is this! Is this the new birth of biculturalism in Canada? There is no mistaking what it means. It says that Canada will be represented by an official party, and the party will consist of those I have stated. These ministers can disagree about anything else. They can bring forth the most unusual ebullitions, but their attitude is, "Don't monkey with the government's intention to legalize homosexuality and abortion."

As soon as this matter came before the house the Leader of the Opposition (Mr. Stanfield) asked for a free vote. There was a free vote in this party. One government member voted against the measure. The government said: "Either you pass this measure, including these two items, or else." This government has lost the confidence of parliament and you know, Mr. Speaker, what will be the consequences of that.

Then the government said: "Wait till you get into committee". When the matter came to the committee I said that you could not incorporate the United States system by superimposing it on the parliamentary system in the British tradition. Under our tradition the government requires the support of a majority in the house or in committee, as the case may be. But I was told that there was going to be a new day, that parliament was going to be made to work. What has the government done for the people of Canada since December 13 last?

Mr. Muir (Cape Breton-The Sydneys): Make them all homos.

Mr. Diefenbaker: Well, that observation indicates that thought has been given. But what has the government done? Every day the government has been imposing illegal taxation. A reasonable time after this imposition a budget was permitted. Nevertheless the government has been extracting money from the people of Canada illegally, by extortion. The matter has not been brought before parliament and it ought to be within the course of the next few days or the next few weeks. No action has been taken on a vital matter affecting the Canadian people. Oh no. We have rising costs, the highest cost of living in history, high interest rates, high taxation and the highest government expenditures ever, but the government says: we will not pay any attention to those things; we want to legalize homosexuality; that is our ideal.

• (12:20 p.m.)

I am sorry I missed the speech the Minister of Justice delivered yesterday, because it must have been an example to all those listening of obvious hair-splitting. What kind of argument was it? Why is there this unearthly haste to bring in this measure? Why is there this unfathomable haste? This is your solution, is it? Is this your elixir for the people of Canada? Do you say that after these things are done happy days will be here again?

When the government said that these matters were to be discussed in the committee they said that members would be free to do as they pleased. The private member was to have new opportunities. I agree that the backbencher does not have fair opportunities, but he was to have them in this committee. I said that I could see how these committees would operate. The hon. member for York East (Mr. Otto) let the cat out of the bag, but he did not deal with the instructions that were received. It was interesting to hear that Liberal members in committee had received instructions from the government. The only one who denied in the house that there had been any such instruction was the President of the Privy Council (Mr. Macdonald). No one would suggest that the hon. member for York East would manufacture a story. Some may say he manufactured it but, if so, I can only say he was most prescient in doing so. Hon. members over there all stick together. They know where they stand. United we stand, divided we fall. Therefore they stand together.

They said the new rules would bring tremendous advantages. They would give committees of parliament new powers. I am citing only what took place. The view was expressed that because of the complexity of legislation it was impossible to ensure proper and careful study of bills, clause by clause, in the House of Commons. I said what was being done would weaken parliament and the House of Commons. The government gave assurances that every opportunity would be given to private members to express their views in committee and to have those views translated into recommendations for amendment when committees reported back to the house. What a sham! They said that the United States system—

Mr. Deputy Speaker: Order, please. I hesitate to interrupt the right hon. gentleman but our Standing Orders provide that debate shall be strictly limited to the amendment before the house. In view of the right hon. gentleman's statement earlier that he would be absent next week, the house may feel disposed to allow him to go beyond the scope of the particular amendment. Perhaps the house feels so disposed, but I feel that we should deal with the subject matter of the bill.

Mr. Diefenbaker: Mr. Speaker, I never transgress. I thought there was general agreement when I began for me to make my remarks. I have always found the house reasonable. I will conclude the latter part of my remarks very shortly.

The committee sat. What did it bring in? Here we have a report from a committee that was unbiased, non-partisan, non-political. This is the report of a committee, some of whose members had a whip held over them. The effectiveness of our committee system under the new rules must be measured in the light of what took place in this instance.

An hon. Member: Not so.

Mr. Diefenbaker: Liberal members have cited what happens in the United States, but the United States system is different. No member of Congress, no matter what his political faith, has any responsibility to the President of the United States. Many years ago Woodrow Wilson said in this regard that the rules of the United States Congress are framed in such a way as to put all business under committee management. There is one principle that runs through all their committee proceedings, and which is never abrogated and always observed, that the committees shall rule without let or hindrance. In this instance the committee of the house did not meet without let or hindrance. The members supporting the government went there and

did not mind changes in certain clauses, but the clause dealing with the particular matter now before us was untouchable.

Mr. Deputy Speaker: Order, please. I hesitate to interrupt the right hon. gentleman again but his time has expired. Is there unanimous consent for him to continue?

Some hon. Members: Agreed.

Mr. Diefenbaker: I have always found the house reasonable. I pointed out that the hopes for our committee system under the new rules were false.

An hon. Member: You are away out in left field.

Mr. Diefenbaker: You cannot apply the United States system in Canada. What did the Prime Minister do? After we had gone through the debate on proposed Standing Order 16A what did he say? He said that we have a new set of rules and that the trap had been set. The opposition fell into the trap. I say the government trapped parliament. This committee system will not work.

I was particularly impressed with the remark of a Creditiste member the other day who said there is no longer debate in the house. Except for the participation of the Minister of Justice and a few other members generally speaking debate is down. There is no cross-fire of opinion. A bill comes in, is discussed on second reading and goes to a committee which carries out the will of the government. What preposterous nonsense it is to say that under this new system parliament will be made more effective. The new system has done nothing to meet the problems of Canada since December last. One can only say that the time has come to revise the revision of the rules.

Woodrow Wilson said that committees in the United States are all-powerful. Are our committees all-powerful? One of our committees brought in a recommendation dealing with the railway in Newfoundland and the government ignored it. When the matter was raised in the house the President of the Privy Council, said that the government had no power to implement that recommendation. As anticipated, our committees have become emasculated. Their ineffectiveness in discussing matters of importance has come about exactly as predicted.

• (12:30 p.m.)

By this time, sir, you will have concluded that I am opposed not only to the homosexual but also the abortion clauses. I can understand the difference of opinion on these matters. There was a wide difference of opinion on this side of the house. We had a free vote. If everyone thinks alike, nobody thinks. I wonder how that rule would apply to the government the way they all lined up.

An hon. Member: I wonder how it will apply to you when the vote is taken.

Mr. Diefenbaker: Mr. Speaker, I am sorry this legislation is before us. We live in an age that is becoming more and more permissive. Some say there is no God, that each man should be able to live his own life as he wills as long as he does so in private. I do not find any support for that philosophy in the scriptures. The Judaeo-Christian concept in the Old Testament is the foundation of our religion.

The government is saying to the young people of this country; You are in a new age, you are over 21. A lad asked me how the new law on homosexuality would work and I said, "You will have to consult the government." Instead of giving young Canada an expression of hope and idealism, the government brings in these two matters. What do they expect from young people? I am not here in an endeavour to preach because I could not do so if I tried, but surely what this country needs is a clarion call from the government in favour of the maintenance of family life with a little more emphasis on responsibilities rather than rights.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: Instead, the government is condemning today's young people. They know far more than we ever knew. With the exception of a small hard core comprising not more than one in 20, they have ideals. They want to live a free life. We are saying to them; "We will give you permissive legislation, we will give you freedom to do these things."

The Minister of Justice in his metaphysical discussion yesterday tried to distinguish between doing a thing and being a person who would do that thing. Freedom is not the right to do wrong. Freedom is the right to be wrong. The government is saying it knows this is not proper. Scripture says it is not proper. Yet it is attempting to give a freedom which will do nothing to elevate Canada or Canadians.

I pleaded with the government before and I do so once more; do not have parliament pass

a bill that legalizes these two acts. The result can only be that young Canadians will say the parliament of Canada approves of homosexuality and abortion. I know there is no use arguing because the Prime Minister has said: "Line up."

An hon. Member: And be shot.

Mr. Diefenbaker: I do not know whether it is ju-jitsu, but the government has its members under control. It twists them. I have talked to a number of them. I will never at any time repeat their names even by suggestion. Do not think they have not got in their hearts a deep sense of concern over this legislation, but when the government speaks there is only one stand that can be taken by those supporting it. Surely the government of Canada could have done something to give new hope to young Canadians rather than this legislation.

Mr. David Lewis (York South): Mr. Speaker, I am sure every hon. member of this house and every person in the galleries agrees there is no member of parliament to whom one listens with more pleasure than one does to the right hon. gentleman. I have disagreed with the right hon. gentleman's political ideas, but I have for many years admired him immensely for his concern about civil liberty and individual rights in our society. When he held the high office of Prime Minister of this country, one of the great accomplishments of the right hon. gentleman was to place on the statute books of Canada a Bill of Rights. This has been widely distributed to the children of this country and has done them a great deal of good.

I feel the same respect and admiration which everyone does, but I say to the right hon. gentleman that his remarks today are a complete contradiction and negation of the great work he has done in the field of civil liberty and individual rights. The right hon. gentleman is the most eloquent spokesman for those who hold the views he has expressed to show the basic philosophy behind those views. I say to him with the respect I have already expressed that that philosophy is simply out of date. It simply has no relevance to modern society.

In order to support that antediluvian philosophy one has to misrepresent what the law says. I suggest to the right hon. gentleman that is not the way an exchange of ideas can be fruitful or useful. The right hon. gentleman was simply utterly and completely wrong when he said that the amendments to the Criminal Code on the subject we are discussing will say to the young people of Canada: Parliament says these things are right. Parliament is saying nothing of the sort.

• (12:40 p.m.)

Mr. Diefenbaker: That is just what it will say.

Mr. Lewis: It will say nothing of the sort unless the right hon. gentleman with his eloquence persists in misrepresenting what the law in fact says and persuades the young people of Canada otherwise. A great spokesman for civil liberty and honesty such as the right hon. gentleman ought not to indulge in that kind of thing.

The sections which proclaim that homosexuality is an evil act, an undesirable act, remain in the Criminal Code. No one who is really dealing with the subject in the kind of objective, honest way in which we were asked to deal with it can suggest that parliament is saying anything other than that this unfortunate deviation from normal human behaviour is an undesirable thing.

What is being suggested in this amendment, what the minister and the majority in this parliament are saying, is that when two adults who are assumed to have enough judgment to understand situations suffer from this kind of emotional or mental illness, or whatever it may be, and engage in it in private without impinging on the rest of the community, without being in a position to affect, warp and distort the moral attitudes of other people, when two adults who are beyond a certain age and are sick with this particular illness do this undesirable act in private, they will not be brought as criminals before a criminal court. That is all this legislation says, and anyone in this house, be he the most benign person deserving the greatest respect such as the right hon. gentleman or a new member of parliament deserving equal respect but not with his experience, who treats this subject honestly and objectively has no right to say that we are doing anything other than what I have just described. I respect—I hope I do; I know I do—differences of opinion on this kind of moral subject as much as anyone else, but I resent with all my heart and soul the attempt by hon. gentlemen who take the opposite position to beat their breasts in self-righteousness and morality and put all who disagree with them in some kind of immoral corral.

I say to the right hon. gentleman and to other hon. members who are lawyers and

know a great deal about jurisprudence and the law, that there are two very important moral concepts in the law. As I have studied jurisprudence and read legal philosophers, there are two moral concepts in the law that are relevant here. One of them is that the prohibitory sections of the law, that part of the law which sets out to interfere with and to stop actions by individuals, ought to be concerned with prohibiting actions that impinge on public order and public decency in society and ought not to be concerned with acts by people which are wholly private and do not impinge on the public order.

That is why there is nothing in the Criminal Code that makes lying a crime, except in certain circumstances. If you lie in a way which slanders to other individuals you will be subject to the law. If you lie in writing about some person in such a way as to do him harm you are subject to the law. But if you simply lie you are not a criminal, even though the Bible and every other moral concept of humanity prohibit lying as being immoral. But as long as a lie uttered by anyone, immoral as it may be, undesirable and repugnant though it may be, does not impinge on anyone else's rights, does not harm any other individual, does not bring him into contempt or ridicule, does not affect his welfare, then one can go on lying, and some do, without end all through one's life, without becoming a victim of the criminal law.

It has been said a dozen times in this house during this debate that adultery is an immoral act. It is prohibited in the Bible and by every other religion. It is prohibited because aside from every other moral question it is an act which affects the integrity of the family and all its members. But it is not a criminal act. The criminal law does not say that anyone who commits adultery is to be charged as being a criminal. I say to you, Mr. Speaker, that there may well be a moral argument that adultery is a great deal more "criminal", if I may use that word in quotes, than is the private act of homosexuality by two adults who suffer from a certain mental and moral deviation. There may well be an argument that one is much more destructive of society than the other. In fact one can think of a dozen other immoral acts which, when done by individuals, are not made crimes.

Some hon. members, and the right hon. gentleman in particular with his usual eloquence, went after the government for not doing other things which need to be done for Canada. I do not have to tell him or anyone else that I agree with him. I have been one of the most disappointed members of parliament and citizens of Canada watching the Prime Minister and his colleagues engaging more and more in conservative, reactionary policies, including one yesterday and today when the Prime Minister placed himself on the side of management in a labour dispute, with an abandon and lack of care for labour relations such as I have seldom seen in a responsible prime minister of a democratic country. I do not condone the failures of the government in other fields, but surely it is specious argument to say that because the government has failed in other fields therefore this legislation ought not to be here. One does not interfere with the other. The fact that these amendments to the Criminal Code are on the order paper does not prevent the government from doing the thousands of other things it should be doing for the welfare of the people of Canada, and all of us on this side of the house will be needling the government until it does do some of these things.

It is a fact that our criminal law, like the criminal law of many other countries, derived originally from certain concepts which attempted to include in the Criminal Code prohibitions against behavior with which the public law ought not to have anything to do. What is being done in these amendments is to try to bring our Criminal Code a little more up to date. This has been done in Britain and other parts of the democratic world. According to my study of this matter we are one of the few remaining countries in the western democratic world with outdated laws like the ones on homosexuality and abortion in our Criminal Code. All western countries with any progressive pretensions have already amended these provisions in their criminal law. We are just catching up with them.

Some people think and say that we live in a permissive age. I do not think that this is what the young people of Canada and of other countries think. I do not really know what is meant by "permissive" except that some people lay down don'ts and then everybody who does not agree with them is permissive. I do not accept that definition.

• (12:50 p.m.)

We are living in an age, if I may deal with one phase of it very briefly, when the young people of Canada and of the world are rebelling against the restrictions and constrictions which are impinging upon them in a modern,

technological, complicated society, where the bigness of government, the bigness of corporations, the bigness of trade unions, the bigness of electronics and all the rest of it are hemming in society and individuals in society. They are protesting against this hemming in; they are looking for more freedom. That is not being permissive. They are looking for a greater voice in their own future at the universities. Some of them take advantage of that legitimate desire and legitimate objective to indulge in excesses which no one can condone. Basically, however, our young people are seeking in a determined way a society where their personality and their dignity are recognized, where they are recognized as human beings capable of making up their own minds and where they can exercise their own judgment and engage in activities in which they are left free to engage for their own development and their own enrichment. Let us not call this permissiveness. It is a legitimate situation.

It is in this sense that the young people are questioning. They are saying that for a long time they have been told that "A" is forbidden and that if they do it it is a crime. They say: "Prove it to us; we are not prepared to accept your mere statement without question that it is a crime; tell us why it is a crime." That is not permissiveness. I suggest that we older people ought to greet with pleasure these questions they are asking. They are saying they are not prepared to accept all the "don'ts" and restrictions that have been laid down over the past centuries. They say: "We will accept them if you will explain the reasons and the moral, social and psychological bases to justify these don'ts and prohibitions but we will not accept them just because you say so." I greet their attitude in this regard.

One of the questions of this nature that they ask is why we prohibit private acts between two adults who have this particular sexual aberration. They say: "We want to know; tell us why." I have not heard a single speech in favour of regarding such an act as a crime which justifies its retention in the code.

The young people of Canada, and not only the young people—I know I am out of order on this point and will not dwell on it for long but it was touched on by the right hon. gentleman—are asking why there should be an absolute or almost absolute prohibition against abortion. They ask why the modern techniques of psychiatry, psychology, medicine and modern ethics in these fields should not be taken into consideration and be given recognition by the law. They are right to ask that question.

If you think of this matter in the context I have tried to describe, I am sure inadequately, if you think of this matter in its true perspective and if you look objectively at the amendment to the Criminal Code which we are now discussing and not with your prejudices but with your eyes and mind, then, I say to you, Mr. Speaker, that what is proposed in the amendment to the Criminal Code in this area is merely a sensible, modern version which recognizes the dignity and rights of people even though their acts may be regarded with some disgust. That is all it does. To interpret it in any other way would be to exaggerate and distort its effect in a manner which could do harm which was never intended by the legislation proposed.

In conclusion may I say a few words on another subject. The right hon. gentleman in his very interesting speech repeated again his objection to the fact that the bill was not divided and his objection to the committee system. Let me merely draw the attention of the house to the fact that we are dividing the bill. For voting purposes we are dividing the bill.

Mr. Valade: You are not.

Mr. Lewis: We certainly are. We are now debating and will be voting on each particular part of the bill.

Mr. Valade: On the whole bill.

Mr. Lewis: It is all one, but by the time we have completed it the house will have had every opportunity to declare itself on each clause of the bill.

Some hon. Members: Hear, hear.

Mr. Lewis: Since the majority of this house will be declaring itself on each clause of the bill at this stage we say, why in heaven's name should we have to do it all over again? So far as the committee is concerned, I was not a member of the committee but I do not think anybody in this house ought to get away with some of the suggestions which have been made. I am informed by those who were members of the committee that at least one of the amendments to one of the clauses, the breathalyzer clause, was passed by the committee against the minister's position and arguments and that the minister accepted some 20 or 30 amendments from members of the committee which originally had not been proposed.

Mr. Valade: That is the only one that was accepted.

Mr. Lewis: Mr. Speaker, the committee system is capable of working. It is not yet working as well as we hope it will, but the fact is the committee system has resulted in changes even in this legislation.

I hope a majority of this house will support this amendment to the Criminal Code and I hope the people of Canada understand and know that those of us who are supporting the amendment in respect of homosexuality are just as repelled as they are by that act. We are just as anxious to make clear that it is an immoral and undesirable act, but we think the time has come to modernize the law.

Mr. Speaker: Order, please. It being one o'clock this sitting stands suspended until 2 p.m.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2 p.m.

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I would like, at this stage, to make a few remarks in support of the amendment moved by the hon. member for Abitibi (Mr. Laprise).

While doing so, I wish to refer to some arguments put forward this morning by the spokesman for the New Democratic party, the hon. member for York South (Mr. Lewis) who, before the lunch recess, brought out, I think, the mentality and philosophy of the New Democratic party.

Since the hon. member for York South is a very famous lawyer, I expected him to try and make a good case for the bill but, on the contrary, he made a great number of remarks in which he especially suggested that the members who supported the government amendment concerning the omnibus bill considered it precisely as the legalization of homosexuality.

I was surprised to hear him question the honesty of the members who oppose this measure. In fact, he even carried his cynicism further because, after having said that he questioned the honesty of members who thought that this amendment proposed the legalization of this act which is against nature—

Mr. David Lewis (York South): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Béchard): Order. The member for York South is raising a point of order.

Mr. Lewis: I made none of the remarks which the hon. member ascribes to me. I do not question the honesty or the sincerity of any member. I only stated the philosophy which the hon. member expresses and which other members support.

Mr. Valade: Mr. Speaker, I accept the correction that the hon. member for York South (Mr. Lewis) wished to make, but his words have perhaps gone beyond his thoughts. I have carefully noted the remarks he made this morning when he said, and I quote:

[*English*]

Anyone in this house who would deal honestly with this subject could not but say that this is legalization, and could not accept the legalization of something wrong. In saying this we must remember that these are perhaps indirect legal terms. If the hon. member wishes to correct me I should like to know his correct wording, because those are the words I heard this morning.

Mr. Lewis: Mr. Speaker, may I rise on another point of order?

[*Translation*]

Mr. Lewis: I rise on a point of order, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Order. The hon. member for York South again on a point of order.

Mr. Lewis: What I have said, Mr. Speaker, is this: The right hon. member for Prince Albert (Mr. Diefenbaker) stated that if this legislation became the law of the land, the Canadian parliament would tell the young Canadians that we support the act which is now prohibited under the Criminal Code. It is not true; in fact, this is what I object to.

Mr. Valade: Mr. Speaker, I would not want to engage in a legal argumentation on what was said. I will take the word of the hon. member for York South and this gives me the opportunity to state unequivocally that when hon. members, whoever they are and whatever party they belong to, make their views known on one subject or another, and in particular on Bill C-150, they do so honestly and with a full awareness of their responsibilities.

Personally, I have no hesitation in saying that if we vote in favour of Bill C-150, we legalize an unnatural act and we recognize that the Canadian government accepts it by making it a legal act.

I am not a lawyer but I know that when something is right, and legal, the government does not have to step in with a legislation. When the government introduces legislation to amend a bill, it is because it wants to correct an existing situation. Up to now, the Criminal Code prohibited the practice of this third sex, but under the omnibus bill, the government in fact legalizes an act which, up to now, was illegal.

What surprises me most, Mr. Speaker, is the fact that the hon. member for York South attempted to convince this house that by moving different amendments, in fact we were dividing the bill and it made it unnecessary for the government itself to move various amendments.

Mr. Speaker, I would suggest that in so doing, the hon. member for York South simply wants to whitewash too easily this government for the way it acts towards parliament obliging all hon. members to vote for a whole bill which contains certain amendments extremely interesting and quite acceptable.

Unfortunately, by means of tactics which I describe without hesitation as blackmail, the government wants to force hon. members, by sweetening the pill a little with certain amendments they support, to accept the whole bill which contains unacceptable amendments and qualifications concerning public as well as individual ethics. I agree with the hon. member for York South that it is not the responsibility of parliament to legislate on matters of private morality. However, when the government legalizes a situation which is likely to have a bad influence on the environment, I suggest that a certain aspect of public morality is involved. We should then surely reject that part of clause 7 which deals with homosexuality.

• (2:10 p.m.)

The government refuses to split the bill lest it should be defeated when the vote is taken. In fact, it is trying to conceal dishonest tactics which prevent members from freely stating their views on each and every aspect of this bill.

If, as the hon. member for York South said this morning, the members were free in the committee to move and have adopted any amendments they wanted, why would there be now, before parliament, 44 amendments from all sides of the house? Such an unusual number tends to prove that the members are opposed to the bill now under study, otherwise they would have readily accepted it as a whole. We feel unable to do so, however, and the way in which the government—

The Acting Speaker (Mr. Béchard): Order. I am sorry to interrupt the hon. member but may I remind him that the remarks he has been making from the start seem to indicate he believes we are now on second reading, whereas we are dealing now with a specific amendment. I therefore ask him to restrict his remarks to this amendment.

Mr. Valade: Mr. Speaker, with regard to your warning may I point out that the hon. member for York South had plenty of time for discussion this morning. He tried to justify the government by saying that parliament was actually free to pass the amendments and that, by the same token, we were under no obligation to vote on the whole omnibus bill.

My answer to the hon. member is that once all the amendments are disposed of and the passage of the bill is proposed, we shall have to vote on all its provisions. I suggest that such a procedure is unacceptable because it distorts the role of democracy and deprives every member of the opportunity of expressing his views on the merits of each amendment.

Mr. Speaker, speaking to the amendment of the hon. member for Abitibi (Mr. Laprise), the hon. member for York South said this morning, for instance, that it does not behoove the government to intervene in matters of individual moral standards.

Now, if we carry his argument to its ultimate conclusions, we should ask that great defender of individual rights how he reconciles the fact that two persons can commit homosexual acts in private without being considered criminals, while three homosexuals performing the same acts in similar privacy would in point of fact become criminals.

If the hon. member for York South, in the light of his considerable knowledge of the law, can tell us how he explains that we thereby defend the principle of individual freedom, I should like him to explain this anomaly to the house.

This great defender could also perhaps tell me whether, when the government legislates to forbid young people to use marijuana, we

are not interfering with individual freedom? As a competent lawyer, he should explain to us how legislators would violate the individual freedom by, on the one hand, trying to forbid homosexual acts performed in private by no more than two persons of over 21 years of age, while on the other hand we may declare the use of marijuana illegal because it is contrary to public order?

This goes against the deterioration of individual morality and, therefore, of public morality.

We could support this argument in the field of narcotics as well as in that of all the excesses an individual may indulge in. The duty of the legislator is to maintain order, for the common good. If, through the proposed legislation, we show to our youth that legislators are unable to assume their responsibilities, that they are afraid of the reaction of a small group of agitators who, under the cover of freedom, are taking advantage of a situation, at the expense of society as a whole, we are giving a bad example to that youth and we are proving once more that the government has yielded to political imperatives instead of promoting the welfare of the Canadian people. The member for York South acknowledged this morning that there were certain moral aspects to the legislation when the common good is at stake.

I would like to ask him to explain what will happen if we pass the bill on homosexuals or sex perverts. What will happen to our society if, through this legislation, we open the door to what is called homosexual prostitution? What shall we do with people who are submitted to blackmail by specimens of this third sex? The member for York South, who has practiced law several years, should know that such things exist. If we accept this omnibus bill as it is presented to us, how will we be able to protect society against abuses in this field?

I am sorry I did not get any answer to the questions I put yesterday to the Minister of Justice. I had thought the hon. member for York South would have answered some of them, because he admitted himself this morning, and I quote:

• (2:20 p.m.)

[*English*]

"These people"—he was speaking of homosexuals—"affected by emotional trouble, or whatever it is." Et plus loin, il dit: "Those with a particular illness."

[*Translation*]

Mr. Speaker, I would be curious to find out what the hon. member for York South knows on this subject. He talks of people mentally unbalanced. Whatever the problem, he concludes that this is a particular illness. He admits he does not know anything about the basic problem of homosexuality. He supports this bill in a rather partisan fashion and in a particular way when, in my view, the impact of this bill will result only in debasing our society which is going through a conscience crisis. We all recognize the importance of giving our young people, our society, through our directives, the image of persons whose responsibility tends to restore order and respect for the community and the individual.

Mr. Speaker, what surprises me most is the position taken by the members of the New Democratic party.

I might remind them what a Labour member, Mr. Tommey, said in the British parliament his speech is reported in the newspaper *Carrefour* under the signature of Mr. Raymond Lacoste, a Parisian journalist, and I quote:

> I protest against the tone of alleged intellectual superiority adopted by the supporters of this bill.

He was speaking to the bill on the legalization of homosexuality. I go on reading:

> What these people are in fact asking us is to allow male prostitution, when a few years ago parliament dealt severely with female prostitution and waged war against call-girls.
>
> But today, by a strange aberration of mind, British legislators are being more indulgent for unnatural acts than for acts which, though they are in a way sinful, are after all natural.

Those are the remarks of a Labour member in England who was against the legislation introduced at that time in the British parliament.

Mr. Speaker, I take part once again in this debate because I think that we are again submitted to irresponsible pressure from the government. We are here as representatives of our ridings. We know the turn of mind, the ideas, the character, the aspirations of those who elected us to represent them here.

I know that no Liberal member of the province of Quebec here can assure me that the majority of the people in his riding is in favour of the bill on homosexuality.

I challenge our colleagues on the opposite side to stand up in their place, to speak out and to put forward arguments supporting that clause 7. I know that the hon. members from Quebec who intend to support the bill do not

reflect the opinion nor the aspirations of the people they represent in the house.

Mr. Speaker, I am not suggesting that every hon. member is not entitled to his own point of view, but the fact that we have been elected to the house to represent the people is undeniable. We must take into account the point of view of our electors and not be unwilling to take position, since this is the most far-reaching bill ever put before the house. As the Minister of Justice has said himself, that legislation—

The Acting Speaker (Mr. Béchard): Order. I am sorry to interrupt the hon. member but his time has expired.

Has the hon. member the unanimous agreement of the house to conclude his speech?

Some hon. Members: No, no.

The Acting Speaker (Mr. Béchard): I see that unanimous consent has not been given.

Mr. André Fortin (Lotbinière): Mr. Speaker, I feel it is my duty to intervene again in that stupid debate—

Some hon. Members: Hear, hear.

Mr. Fortin: —which, in my opinion, means only wasting the time of the nation on a bill which has been introduced by the New Democratic party.

Some hon. Members: Oh, oh!

Mr. Fortin: Mr. Speaker, I have listened carefully and with amazement to the hon. member for York South (Mr. Lewis) who put forward arguments of a humanistic nature. After hearing him, I ask myself: What is humanism? To be a humanist, must one suppress human dignity, personal liberty, the natural pleasure of free self-development?

Mr. Speaker, I seriously wonder to what extent he was being honest. The humanistic socialist, if I understood correctly, states positively that God does not exist, that man is descended from the ape. Nevertheless, the hon. member for York South proved to us this morning that the study of certain subjects is a long and drawn-out process.

Mr. Speaker, an attempt is being made to legalize abortion and homosexuality. Everyone realizes that opinions in this house are divided about this bill, which, in my view, is criminal and stupid.

[Mr. Valade.]

This bill is a socialistic piece of legislation, Mr. Speaker. Who are the ones who give it their approval?

Some hon. Members: Oh, oh.

Mr. Fortin: I am happy, Mr. Speaker, to see that some members find my words amusing; it shows with what irresponsibility they are considering subjects as important as the ones we are now discussing. But, if we stop and think about what is happening in the socialist countries where similar legislation has been adopted, we realize that it has not been in the best interest of the population.

Again, last night, on the C.B.C., we were given news about Czechoslovakia.

Upon learning that Mr. Dubcek had quit, and in the way the newscast came, we could only wonder if the decision was his own.

We remember, Mr. Speaker, that students revolted against the lack of freedom of the press and a lot of other individual freedoms of which they were deprived. In Canada, with the omnibus bill—

The Acting Speaker (Mr. Béchard): Order. I realize the comments of the hon. member are most interesting, regarding current international affairs, but I would ask him to limit his comments to the particular amendment before us.

Mr. Fortin: I thank you, Mr. Speaker. I was on the point of closing my remarks about the national network, because to talk about our national stables is no way of raising the level of this debate.

• (2:30 p.m.)

Even here in Canada, Mr. Speaker, our freedoms are gradually being removed, while our individual initiative is weakening, as a result of our accelerated progress towards state socialism supported by the federal Liberal party and the New Democratic party.

One is socialist for practical purposes because it is in office and the other for idealistic reasons because it is not. The tentacles of the State—

Mr. Lewis: Does the hon. member remember that the Leader of the Opposition—

Mr. Fortin: Mr. Speaker, I would like to say to the hon. member for York South that if he has some questions to ask me, I will be pleased to answer them.

The tentacles of the State, Mr. Speaker—

Mr. Lewis: May I put a question to the hon. member, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Would the hon. member for Lotbinière let the hon. member for York South ask him a question?

Mr. Fortin: Yes, Mr. Speaker. Capitalists are always open-minded towards socialists.

Mr. Lewis: Mr. Speaker, I am very pleased to know that the hon. member for Lotbinière is a capitalist and I should like to ask him if he recalls that the Leader of the Official Opposition (Mr. Stanfield) has also brought in an amendment.

Mr. Fortin: Mr. Speaker, it is possible. I do not know. If so, it is because he is financed by the same electoral funds.

I continue with my speech. The state tentacles are clutching us more and more.

Our basic rights are limited—because of this bill and others of the same kind—not only by the rights of others, but also and mainly by those assumed by the State which curbs our freedom more stringently than ever.

For our governments, the people at large have become a kind of anonymous body upon which certain things have to be imposed—and I did say imposed; whether it likes it or not, whether it agrees or not, it matters very little. Since socialistic countries advocate certain measures, we imagine we ought to do the same if we feel it is good for the people.

Some of our politicians seem to believe that the common good obviously means the good of the individual. We have come to the point where we exchange our freedom and a portion of our incomes for the so-called socialistic collective manna. Freedom should never be taken for granted; there will always be some person or some group who will try to inflict their views upon us.

Mr. Speaker, it is unfortunate that we should have to discuss things of that type. Let us try to find out who would like us to adopt this bill and these clauses.

First, I see the Liberal party, a collection of puppets under the leadership of a trio of practical socialists. As the puppets cannot either talk nor object, it is the socialists, those former supporters of the New Democratic Party, who actually are in office. The other members who favour the passing of this bill, on this side of the house, are mainly the members of the New Democratic Party, not practical but idealistic socialists. In view of the fact that they are not in office and that they cannot implement their plans, they have no other alternative but to support the government with both feet, both hands, and on all fours.

I have a great deal of consideration for my colleagues of New Democratic Party because they show a good deal of imagination in many fields but I fail to understand how those great champions of the human person can also crawl in front of this majority government, arrogant and totalitarian.

Those ideas are not shared by the people. Besides, the hon. member for Sainte-Marie (Mr. Valade) is aware of that as I am myself and as the cabinet will soon be also.

Mr. Speaker, I have the pleasure to inform the house that in a few days, the cabinet—I pray the hon. members to mark my words for this is serious—will receive from the people of Ontario and Quebec at least 100,000 protests against the omnibus bill clauses dealing with homosexuality and abortion, and we hope they will be received before the bill is passed. Can it be said that the people are in favour of this bill? No, Mr. Speaker.

Let us consider what is going on in socialist countries. As we could learn yesterday through the news, no moral principle is respected and that, on the pretence that freedom and the rights of a pluralist community must be safeguarded.

Idealist and practical socialists, as pointed out by the hon. member for York South, claim that young people want a society where their personality can develop on sound bases. But what sound bases?

Mr. Speaker, the young people wish humbly for a reappraisal of the role of the family and the individual in society. They have ideals, they insist on respect for the human being, his sincerity, his honesty and finally his dignity.

Mr. Speaker, there is a basic point that must be stressed, namely respect.

Yet, those same socialists do not recognize the freedom of their own fellow workers, neither in committee nor in the house, for the sole purpose of complying with the principle of cabinet fellowship, as was so brilliantly pointed out by the right hon. member for Prince Albert. Those same socialists, as he said, do not hesitate to grant their own colleagues the freedom of objecting, of expressing their views, no matter whether they are for or against a measure.

On the pretence of freedom, they want to impose their views by means of dictatorial

methods. Where is freedom then? The principle of the omnibus bill comes from the United Kingdom, by the own admission of the Prime Minister (Mr. Trudeau) and of the Minister of Justice (Mr. Turner), as I said last evening.

England is run by the Labour party, in other words by a socialist government. We all know where they are now not only as far as their economy is concerned but also from the social and political point of view: they are going downhill. It does not rest with the house to legislate on the standards of morality.

We have no more the right to consider alcoholics as criminals or depraved persons than to say that homosexuals are criminals. It is, however, our duty to take steps likely to ensure the respect due to the dignity of the human being.

Mr. Speaker, I cannot honestly believe that this bill contributes in any way to the respect of the individual. We have the strict obligation in this house to ascertain if the laws we want to pass go against either the common good or the private interest of the individual.

We can only repeat, Mr. Speaker, what I was saying a moment ago: the dignity of the human being should always be a prime concern in our debates. Besides, young people give ample proof of such a quest.

In socialist countries, people question this principle because they have foregone their dignity and are no longer respected.

What is more serious in all this is that the Canadian family has become a problem. Because of urbanization, industrialization and extremely advanced means of communication, the family is no longer in a position to protect itself from solicitation, of publicity and, unfortunately, the government.

The extraneous activities of the family are much more developed than they used to be. In other words, Mr. Speaker, the members of the Canadian family have an important social role to play. The family is no longer that privileged place which used to protect its members against whatever it wanted to reject. Today, the family is compelled to welcome all sorts of publications from outside. The increasing demand for education has built up an intellectual gap between parents and children, even though they all live together and communication between parents and children has become very difficult because of the difference in the education levels of parents and children. As a consequence, parents have lost much of their authority on their children: they do not speak the same language. Children are submitted to all sorts of influence from which it is now impossible to protect them. In other words, Mr. Speaker, the traditional family that we used to know has gradually disappeared.

As I said earlier, we must now consider the basic necessity of upgrading the role of the family in society.

• (2:40 p.m.)

Mr. Speaker, I think this subject is most important, because if we pass this bill legalizing abortion, we are weakening the family and we are endangering the respect for woman.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member again, but the amendment now under consideration does not deal with abortion, the subject the hon. member is discussing.

Mr. Fortin: Mr. Speaker, I have just said a few words about abortion.

The passing of the omnibus bill on homosexuality will strike another blow, a fatal blow this time, at the Canadian family.

If consenting adults are allowed to commit unnatural acts, and if society finds that normal and does nothing to cure them, we can imagine all the questions the young people will ask themselves concerning the importance of respecting the human being, more particularly the woman.

Mr. Speaker, since we have a society, a nation to build, it seems elementary to me that in this house at least, we ask ourselves whether by passing this bill, we will promote the progress of the Canadian family, or if we will not instead contribute to its disappearance, as was the case in socialist countries.

Mr. Speaker, if, under the pretext of safeguarding freedom, we prevent the Canadian family from growing we shall have committed a criminal act we will regret for the rest of our days.

Mr. Speaker, I had extremely interesting remarks to make at this point. In his introductory speech, the Minister of Justice said this about the committee of the United Kingdom, and I quote:

> —of giving in his report the following arguments as being the strongest arguments in favour of keeping the regulations under which homosexual acts between consenting adults that are committed in private are criminal acts, namely:
>
> —they threaten the health of society—

The arguments raised against the legalization of homosexuality were the following and I quote:

> —they threaten the health of society—

That was the first. The second was:

—that they have harmful effects on family life—

The third argument raised against its adoption was this one:

—a man who indulges in these practices with another man may want to do it with boys.

Such are then the three fundamental objections which were raised before the committee of Sir John Wolfenden in the United Kingdom. Three arguments that are really interesting, fundamental, important and irrefutable threaten the health of society, family life and can induce those men to commit such acts with boys.

Now, the minister says:

Mr. Deputy Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member but his time has expired.

Does the house consent to extend the time of the hon. member?

Some hon. Members: No.

Mr. Deputy Speaker (Mr. Béchard): There is no unanimous consent.

Is the house ready for the question?

[*English*]

Some hon. Members: No.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, I followed with great interest the speech given this morning by the right hon. member for Prince Albert (Mr. Diefenbaker). Above all, I was pleased to see that, in this house, the dean, a former Prime Minister, and the hon. member for Lotbinière (Mr. Fortin), one of the youngest members in this house, who is 25 years old, both shared the same opinion. They want to protect the dignity of our country and the freedom of the human being.

It is therefore comforting to note that most of those who have spoken to date reflect the opinion of the Canadian people. That is why we insist so much, Mr. Speaker. We feel obliged to defend the dignity of the people.

Yesterday, I heard one of the government members, the hon. member for Trois-Rivières (Mr. Mongrain), to whom is regularly entrusted the care of passing around the gossip. At times, one would be enclined to call him a "Quebec Père Ovide". The hon. member for Trois-Rivières claimed that I said, and I quote:

I have the approval of 100 per cent of the people, at least in my riding and in the rest of the province of Quebec.

As for him, from time to time he tours my riding. Of course, I saw him throughout the election campaign. He was campaigning for the other candidate Matte, and I know full well that he knows my riding. He occasionally meets some of my electors. To avoid any misunderstanding, I should like to explain what I mean by 100 per cent, Mr. Speaker.

I do not know which constituents the hon. member for Trois-Rivières meets when he comes to my riding. As for me, when I speak of 100 per cent, here is what I mean: no one has come to me, as member for Champlain, to ask to push this bill. I say again, no one. I could even challenge the hon. member for Trois-Rivières. Let him come to my riding, or me to his, and let him introduce me to people who will ask me to work for this bill.

We will fight strenuously for our point of view. We really have considerable support. If, as someone said a while ago, we are now wasting time discussing this matter, it is not that we want to do so, but that the government forces us to do it. We would not like to be told in our ridings: you were in favour of the omnibus bill; you were in favour of homosexuality and abortion; you accepted that the debate be limited to four days, so that the bill could be passed on the double, so that the debate would not drag on.

You see what our situation would be like. We are therefore forced to hold up the business of the house on matters which doubtless are more important, but unfortunately the government is forcing us to fight for our point of view.

• (2:50 p.m.)

We are in a position to assume our responsibilities and we assume them. Why are we so confident? Because 100 per cent of the people backs us.

Why I am saying 100 per cent? because nobody came as yet to ask me to back the adoption of the bill. The only people who asked us to do so, as the hon. member for Lotbinière has just pointed out, are the legislators, the members of the New Democratic Party, and the few members of the Liberal party who have tried to enforce it.

I already said it, two days ago. Indeed, we never received any document asking us to back the bill.

Thus, after studying the reasons why the government suggested the adoption of the bill, we may conclude that there are only a few individuals, in the house, who are in favour of its adoption.

In my opinion, that does not enhance the revalorization of our parliamentary institutions.

The bill was talked about, for the first time, while the right honourable present Prime Minister (Mr. Trudeau) was the Minister of Justice. This is how the capital matters that we are busy discussing seem to have originated.

Mr. Speaker, when we tell the house that our constituents are backing us, it is not just a lot of hot air. We are really echoing the voice of our people.

We say that we do not see anywhere those who set forth the reasons in favour of the bill those who contributed to the discussion of clause 7 of the omnibus bill. Having looked high and low, we reached the conclusion that nobody at all was backing that clause, except the right honourable Prime Minister.

At this stage, I would like to prove that such bills are nothing but the outcome of the lucubrations of a young man of 50.

I have here an excerpt of an article published in *Maclean* Magazine. Mr. André Langevin refers in it to the present government under the heading. "Three Angelic Doves". In my opinion, that article will explain the origin of the present bill.

The Acting Speaker (Mr. Béchard): Order. If the hon. member would indicate the relationship between that article and the amendment now under study, I shall allow him to quote it.

Mr. Matte: Mr. Speaker, by means of this article, I want to show that the amendment designed to delete paragraph (b) of subsection (1) of the act, must be passed for the simple reason that those who introduced the bill do not reflect public opinion in the least.

People are not asking for such things. Since we are discussing that amendment, I would like to show the house, by reading that article, how the sponsor of the bill cannot say that he introduced it with the support of the Canadian people.

The Acting Speaker (Mr. Béchard): Order. We are not at the second reading stage of the bill. We are not discussing the bill but the amendment which is now under study. Then, I shall ask the member to restrict his remarks to the proposed amendment.

Mr. Matte: Mr. Speaker, the amendment concerned reads as follows:

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting in clause 7 paragraph (b) of subsection (1) of the proposed new section 149A.

So, I am not wandering from the point. I want the house to accept this amendment to delete from paragraph (b) of subsection 1 the proposal it contains. I also want all members of this house to hear all relevant arguments so that they will be in a better position to judge objectively whether to pass this amendment or not. As I was saying, this is what *Maclean's* magazine says:

—the three doves who, in Ottawa, administer the first "truly French-Canadian Department in Canada's history" are, according to the *Toronto Telegram*, heading upwards at a tremendous pace towards the seventh heaven of a just society.

Mr. Speaker, this bill reflects the general purpose suggested by the government at the beginning of this session, namely the establishment of a just society, and the legislation before us is supposed to contribute to the establishment of that just society.

Surely the hideous weight of thankfulness, which never spared the angels of politics, has led them astray sometimes in the lower and so human levels of patronage, just long enough to pay tribute to the defeated candidates and their organizers, in the purest tradition of the rotten parties of long ago;

Mr. Speaker: Order. Order. I can see no relation between what the hon. member is saying and the amendment before the house.

The hon. member is surely allowed, as he said a moment ago, to justify the merits of this amendment and his desire to see it passed, but the amendment has nothing to do with the matters referred to by the hon. member. Accordingly, I ask him—and this is why I call him to order—to justify the amendment he is proposing.

Mr. Matte: I apologize, Mr. Speaker, but the following paragraph was just bringing us back to the subject matter.

I continue my quotation:

They have lost their bearings—

Meaning the doves.

—they are flying in the blue sky in quiet possession of serenity, so high up that they have to tear through clouds of angelic virtue to be able to communicate with us.

They barely dare speak now about the little problems that stir up the troubled waters of our frog pond. Three wing flaps are enough to take them out of sight, and our face is red because such high vistas are denied us.

Mr. Speaker, we do not see from such high vistas that we cannot see that the government is introducing these measures under the misleading pretext of respecting freedom. But what kind of freedom could that be?

Mr. Speaker, I have a free choice. Of course, there is no accounting for tastes nor can anyone decide for someone else, but the fact remains that there are good and bad tastes, as there is good and bad freedom.

Consequently, they say, under the pretext of protecting freedom, and to take away homosexuality from the Criminal Code, that the first consideration should be that those people are sick, and it should not be a crime to be sick.

On the face of it, this seems logical, but that is exactly what we are asking for. We do not need any legislation to do it; we have only to promote the establishment of hospitals to help rehabilitate the people affected with this sickness, and I have no objection against that. This is a matter for the Department of National Health and Welfare, and not for the Department of Justice. One should just put things back into place.

If homosexuality is a kind of disease and if therefore one cannot sue someone who is conducting in such a way since he is sick, in order to be logical, let us apply the same reasoning to other cases. Let us legalize theft, since kleptomaniacs are the subject of morbid impulses which prompt them to appropriate things which do not belong to them. They are unable to resist these impulses. It is a real mental disease. They cannot help it. They have to do it. So, since there are some people who suffer from kleptomania, which is an innate attraction for robbery, let us make robbery legal.

If homosexuality is no more considered a criminal act, let us legalize the acts of all kleptomaniacs, under the pretence it is a disease. Every kleptomaniac will only have to have his card signed by a psychiatrist, certifying that he is a kleptomaniac, and he will be authorized to do hold-ups when he is 21.

Mr. Speaker, this is ridiculous. I see that government members are of the same opinion. If we asked a kleptomaniac to give his opinion, he would say exactly the same. It is absurd. The government wants to legalize homosexuality. As to the kleptomaniac, a product of a sick society, he is rejected by that very society. The effects of his disease, that is thefts, are not legalized.

I think, Mr. Speaker, that we are facing a real problem. Even though all comparisons are said to be inadequate, I think this one is rather correct. In both cases, it is a morbid attraction, in one case for theft, in the other for someone of the same sex. These are deviations. If we legalize homosexuality, we should also legalize kleptomania.

• (3:00 p.m.)

Carrying this argument further on, Mr. Speaker, would lead to a most ridiculous situation, under the pretence that some individuals, considered to be criminals, are only sick peoples. One can imagine how far this would lead us.

Suppose that at one or two o'clock in the morning, I feel an urge not to stop on a red light, taking upon myself to drive on. If all the drivers who do not stop on a red light decided to have a legislation passed in order to do away with those damned red lights, the situation would be quite disastrous.

Once more this reasoning is ridiculous but then, as my hon. friend from Lotbinière said, we are discussing something silly. Therefore, we must try and speak about silly things too. We are now dealing with things which as I told earlier while speaking on an amendment, I am ashamed to have to discuss in this most dignified house. I am not overprudish, but I think it is somewhat disgusting to have to discuss such topics when in fact the problem does not exist.

And, Mr. Speaker, this is what surprises us more. It is particularly obvious for those who are new in the house. I am frankly astonished to see that all I have been told about majority governments is right. It is even worst than what I was expecting. I was unpleasantly surprised when I realized that a free vote was being contemplated.

I admit that when I heard that expression before coming to the house of commons, I did not grasp its full meaning. I thought that after all, the members, representatives of the people, were free; but today, I understand better what is meant by a free vote. On the other hand, I do not dare explain it to my constituents, because I find it so silly and so absurd to speak of a free vote. If one admits that, from time to time, a free vote is allowed, it means that usually, it is not so. It is therefore—

The Acting Speaker (Mr. Béchard): Order, please, I regret to interrupt the hon. member, but his time has expired.

Some hon. Members: More, more.

The Acting Speaker (Mr. Béchard): Is the house giving unanimous consent?

Some hon. Members: No.

The Acting Speaker (Mr. Béchard): There is not unanimous consent.

Is the house ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Béchard): Pursuant to standing order 75 (11), the vote on this amendment is deferred.

[*English*]

The Acting Speaker (Mr. Béchard): Is it the pleasure of the house to adopt the said amendment? All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Béchard): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Béchard): Pursuant to section 11 of Standing Order 75 the recorded division on the amendment now being considered stands deferred.

• (3:10 p.m.)

It is suggested that amendments numbers 10 and 11 be called and considered prior to amendment No. 9. This suggestion is made in light of the fact that amendment No. 9 is much wider in scope than amendments 10 and 11 and a procedural difficulty could arise in the event of an affirmative vote on amendment No. 9. When debate on amendment No. 9 has been concluded the house will revert to amendment No. 3 for the purpose of taking votes on the amendments which have already been considered. It might be stated that amendment No. 9 proposes the deletion of two clauses, namely clauses 12 and 13 of Bill C-150. In this connection it is suggested that in future the clauses should be dealt with separately.

We will now consider amendment No. 10.

Mr. Turner (Ottawa-Carleton): On a point of order, Mr. Speaker. We have not dealt with amendments 7 and 8.

[The Acting Speaker (Mr. Béchard).]

The Acting Speaker (Mr. Béchard): I apologize to the house. We will now consider amendment No. 7.

Mr. Melvin McQuaid (for Mr. Woolliams) moved:

That Bill C-150, An Act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by inserting in clause 7, after the word "age" on line 9, page 24, the following words: "except as to bestiality and carnal copulation with a beast."

He said: Mr. Speaker, I had not originally intended to speak at this time in respect of this particular amendment, but I find myself in somewhat the same position as the right hon. member for Prince Albert (Mr. Diefenbaker), except that I am not going to attend any function at which a bust of me will be unveiled. I do, however, find that I am to leave tomorrow on a trip with the Fisheries Committee and for that reason in all probability will not be in this house when the vote is taken on these amendments.

Very briefly, I wish to make abundantly clear that I am opposed to these suggested amendments to the Criminal Code which deal with homosexuality and abortion. If I were privileged to be in the house when the votes on these clauses are taken I would very definitely vote against them. I had the opportunity to speak on these subjects as a member of the Committee on Justice and Legal Affairs. It probably is not necessary for me at this time to review the reasons for my opposition because I think I made them abundantly clear in previous speeches I have made on these particular matters.

I definitely cannot accept the argument put forward this morning by the hon. member for York South (Mr. Lewis) when he said we have the privilege of voting against these clauses when they are considered and that this constitutes a free vote. I do not agree with that suggestion at all. I would very quickly point out there are clauses in these proposed amendments with which I am in full agreement.

There are excellent amendments suggested here for which I certainly should like to vote but unfortunately I cannot convince myself that, if I should vote against any particular clause during the clause by clause consideration, I should vote in favour of the whole bill at the conclusion of the clause by clause consideration. I submit this is exactly what I would be required to do. If, for instance, I

should vote against new section 149A I do not see how, when the whole bill is before us, I could reverse myself and vote in favour of the whole bill which would include section 149A and any other clauses to which I am opposed. This is one reason I suggest the bill should be divided so that we would have an opportunity to vote against those matters with which we do not agree and vote for those matters in which we concur. I say the situation is most unfortunate.

I repeat that there are clauses in this bill with which I am in full agreement and which I think should pass and become the law of the land. For that reason, I would like to be able to vote for certain clauses in this bill. However, I cannot go along with the clause dealing with homosexuality or the clause in respect of legalized abortion. I realize that at the present time the rules of the house will not permit me to put forward my argument against the part of the bill which legalizes abortion. I realize I am confined now to the amendment which is before us.

This clause was discussed very fully before the Committee on Justice and Legal Affairs. It has been pointed out this morning that the Minister of Justice (Mr. Turner) did accept some amendments. However, in respect of the clauses dealing with abortion and the one we have before us now, there is absolutely no relenting on the part of the government. Apparently the government will not tolerate any suggested amendments to these clauses. I am at a loss to understand why.

• (3:20 p.m.)

I have not yet seen any great public demand that these particular amendments should be introduced. I do not believe there has been any great demand on the part of the public that the law in respect of homosexuality, for example, should be relaxed. I have not noticed any uproar across this country to have the law broadened in the way it is now suggested it should be. The minister, of course, suggests we are not legalizing homosexuality. I do not entirely go along with his argument because I believe if we pass a law which would make something legal which has been illegal, we would actually be legalizing it. If someone could convince me that this amendment did not legalize homosexuality I might be persuaded to change my mind, but I cannot see anyone could possibly arrive at that conclusion. While I realize the minister is not prepared to see eye to eye with the amendment of the hon. member for Calgary North (Mr. Woolliams) which would add the words "except as to bestiality and carnal copulation with a beast". I think, however, he has suggested he would go along with the idea that there may be some doubt as to the interpretation of this proposed section as expressed by Professor Mewett. He has suggested that even if these words are not added, conduct of this kind between two or more persons or a married couple would not constitute an offence. If there is any doubt in this regard I think these words should be added. This would prevent any possibility of the interpretation suggested by the Professor.

I am sure everyone appreciates the fact that the first reading of a law is not likely to be an accurate or conclusive reading. Laws are subject to many interpretations. A law might be interpreted in one way today and in an entirely different way a year from now. If we can avoid any possibility of misinterpretation by adding these words to the proposed section, I think we ought to add them. The only purpose of this amendment is to avoid any possibility of misinterpretation, and it has been put forward because of Professor Mewett's representations to the committee. All we are asking the house to do is clarify the measure so that the interpretation suggested by Professor Mewett cannot be made. With the exceptions set out in this amendment, only one interpretation will be possible. I do not think there is anything wrong or unreasonable about the amendment. I suggest it is our duty to make the law as clear as possible.

Mr. Deputy Speaker: Before recognizing the hon. Minister of Justice (Mr. Turner) I should like to make an observation. It is my understanding from reading the statement of Mr. Speaker at page 7600 of *Hansard* for Wednesday that there was an agreement that the subject matter of amendment No. 8 would be considered concurrently with the subject matter of amendment No. 7. I note that hon. members nod their heads in agreement.

Mr. Turner (Ottawa-Carleton): As I recall the situation, Mr. Speaker, that was the unofficial agreement the house reached at that time. In view of the fact that both amendments refer to the same subject, they should be considered together.

[*Translation*]

Mr. Speaker, the hon. member for Abitibi (Mr. Laprise) seems to agree that his amendment No. 8 be considered at the same time as

amendment No. 7. Both can be dealt with at the same time—

Mr. Laprise: Agreed.

[*English*]

Mr. Turner (Ottawa-Carleton): I should like to deal briefly with those arguments introduced by the hon. member for Calgary North (Mr. Woolliams) during the debate on the third amendment introduced under the Standing Order. This matter was also considered thoroughly by the Committee on Justice and Legal Affairs. We heard from Alan Mewett, Professor of Law at the University of Toronto. He advanced reasons supporting the necessity for this amendment.

By way of a preliminary remark, I should like to suggest that it is not accurate to say that no amendment was accepted in committee in respect of this particular clause. Those hon. members who have a copy of the bill as amended and reported by the Standing Committee on Justice and Legal Affairs will observe the word "force" is added to the new section, paragraph (b) (i). This was done in response to the suggestion of the hon. member for Halifax-East Hants (Mr. McCleave) that we should make it clear that if the consent is extorted by threats or fear of bodily harm there would not be consent within the meaning of the measure. With all respect to the hon. member from Prince Edward Island it is not accurate to suggest that the rigidity he attributes to the reaction of the government to committee members applies to this proposed section.

Let me say also that this proposed section does not legalize homosexuality. The legal effect is to exempt from sections 147 and 149 of the Criminal Code the particular conduct described in new article 149A. That is the sole purpose of this measure, as was well set out in the very able speech this morning by the hon. member for York South (Mr. Lewis). I will now turn to the substance of the amendments introduced by the hon. member for Calgary North (Mr. Woolliams) and the hon. member for Abitibi (Mr. Laprise). I do not think one must look at this too seriously from a legal point of view, or as one skilled in the law, in order to determine that it would be a rather tortuous use of the English language to contemplate the necessity for such an amendment. What this clause means is that sections 147 and 149 do not apply to an act committed in private between a husband and wife or any two consenting adult persons. I can not understand how this could possibly support the argument that bestiality was also exempted.

It is quite clear that Section 149 A must be construed as referring to those acts mentioned in Sections 147 and 149, other than bestiality. This allows for the most liberal dictionary definition of human being.

Let me suggest that Professor Mewett's opinion is not widely shared. Certainly, there is no other academic support to be found for his opinion. I do not rely merely on the opinions of law officers of the Crown to support the opinion I submit to Your Honour and members of the house. This bill was reviewed on two occasions since its original introduction by the Attorneys-General of the provinces. It has also been considered by the members of the uniformity commission. It has also been thoroughly studied by our own standing committee as well as the legal profession, representatives of the medical profession and Crown prosecutors. These individuals have considered and reviewed this particular clause and its predecessor since December 21, 1967.

Apparently Professor Mewett, with his fertile mind, is the only one able to attach this particular construction to the words, and I have in mind the suggestion adopted by the hon. member for Calgary North. Since we can see no doubt at all about the construction of this measure, we have no choice but to reject the proposed amendment.

Mr. McQuaid: I should like to ask the minister whether he can give this house one reason or indication of the harm done by the insertion of these words? If there is no harm done and the amendment accomplishes a useful purpose, the minister must surely agree that it is useful and competent. But even if there is only one legal opinion, can it possibly do any harm to the section to have these words inserted?

• (3:30 p.m.)

Mr. Gilbert: Will it do any good?

Mr. McQuaid: Someone asked if it would do any good. My suggestion is that if it even clears up the slightest possibility of doubt, it is good. It does not do any harm to put these words in, and it does not cost any more to print them.

Mr. Turner (Ottawa-Carleton): If the principle submitted by the hon. member were accepted, there would be no end to the drafting of this legislation. We suggest that there is no confusion, and that it is beyond the realm of any construction of language to con-

sider that an act between two persons can possibly include bestiality.

[*Translation*]

Mr. Laprise: Mr. Speaker, my remarks on amendment No. 7, introduced by the hon. member for Calgary North (Mr. Woolliams), and amendment No. 8, that I introduced myself, will be brief since I agree with the statements made last Wednesday by the hon. member for Calgary North when he discussed his own amendment.

By the way, Mr. Speaker, my amendment reads as follows, and I quote:

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting in clause 7 the "period" following the word "act" on line 11 on page 24 and substituting therefor a comma and by inserting the following words:

"except where bestiality is committed".

I am moving that amendment in order to prevent any misinterpretation of that legislation. As I said before during my remarks on amendment No. 6, it may happen that clause 7 of bill C-150 is not deleted from the bill according to our wish. Therefore, we are trying by every means possible to prevent as much damage as possible to the government's proposal.

[*English*]

Mr. Deputy Speaker: Is the house ready for the question? The question is on the amendment.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, again, I feel duty bound to take part in the debate and to express my opinion straightforwardly concerning the two amendments proposed: No. 7, moved by the hon. member for Calgary North (Mr. Woolliams), and No. 8, moved by the hon. member for Abitibi (Mr. Laprise).

Mr. Speaker, I believe that both amendments, as the Minister of Justice (Mr. Turner) said, are quite similar and both propose the adoption of almost the same measures.

Therefore, Mr. Speaker, we are happy to co-operate and do not want to delay the proceedings of the house, so that both amendments may be studied jointly and disposed of as swiftly as possible.

Mr. Speaker, a moment ago, I heard the Minister of Justice refer to a certain professor Mewett, saying that he had a vivid imagination, that his opinions were not shared by all members of the legal profession, that his assertions could create confusion and were not necessarily worthwhile.

Mr. Speaker, I submit that there is some exaggeration in suggesting that professor Mewett is not competent when we know that he teaches law at the University of Toronto. He is able and recognized as such by several universities. Personally, I had an opportunity to hear about Professor Mewett through other professors in other universities, and I feel his reputation is well founded. It appears that the opinions he has expressed are sound.

Mr. Speaker, while comparing the substance of the bill with what professor Mewett had to say, and keeping his qualifications in mind, I am inclined to believe the professor's statements rather than those of the Minister of Justice.

Professor Mewett said, as recorded on page 341 of Proceedings and Evidence No. 10 of the standing committee on justice and legal affairs, and I quote:

There is only one point I would like to raise, and it is a legal point. It is factually impossible for two consenting adults to commit bestiality and clause 7 purports to say that section 147—that is, everyone who commits bestiality—does not apply to any act committed in private between a husband and wife or any two persons. I am not quite sure what that means—

Mr. Speaker, that shows how obscure is the legislation now before the house. If experts fail to understand clearly the content of such legislation, how will ordinary citizens be able to make it out?

I go on with the quotation:

I am not quite sure what that means but in my opinion it does not mean anything. As it stands I think it would mean that if one person committed a sexual act with his dog, he would be guilty of an indictable offence and liable to imprisonment for 14 years. If two people did it they would not be guilty of any offence. If three people did it they would be guilty and liable to imprisonment for 14 years. I find that very difficult to follow. I would have thought, if one is concerned with the peculiarity of the act, that it is much more peculiar between two people than between one. I think there has only been two convictions for bestiality in the past 20 years.

Mr. Speaker, I think that the amendment moved by the hon. member for Abitibi (Mr. Laprise), which has the same purpose as amendment No. 7, is most valid.

It would add to clause 7, since it cannot be deleted. However that clause should be more specific and certain restrictions should be imposed. The amendments really bring in a

legal restraint and it would only be prudent to incorporate such a restriction in the legislation. I quote:

> Sections 147 and 149 do not apply to any act committed in private between
>
> (a) a husband and his wife, or
>
> (b) any two persons, each of whom is twenty-one years or more of age
>
> both of whom consent to the commission of the act.

The proposed amendment would add after the word "more of age", in subparagraph (b) the words:

> —except where bestiality is committed.

Mr. Speaker, that a man, a human being, an individual should have sexual relations with any kind of animal whatever, pigeons or the doves of the hon. member for Champlain (Mr. Matte), this according to me constitutes an act which in fact is not only against nature but inconceivable. We have here an exceptional case.

Furthermore, professor Mewett himself said that as far as he knew there has been only two convictions for bestiality in the past 20 years. Now, Mr. Speaker, I think that with respect to those exceptional cases, we should at least include a provision prohibiting such an act with an animal.

The minister himself acknowledged a while ago that it was obvious that such an act was neither normal nor natural, that it was illogical and indicated that the individual who committed such an act was suffering from some illness or sexual deviation.

If the minister is ready to recognize that such an act done with an animal is neither natural nor normal, then it is surely not normal to do it with another person.

This is why, Mr. Speaker, I feel that this bill and this clause are entirely inconsistent, since one is ready to condemn the individual who commits a sexual act with an animal, but not the one who does the same thing with another individual of the same sex.

Mr. Speaker, I wonder sometimes where we are going? The right hon. member for Prince Albert pointed out that in the Middle Ages, the students were trying to construct theories, to carry on studies and speculate on the number of angels one could put on the head of a pin.

As I am anxious, Mr. Speaker, to dispute that inconsistent method of legislating, I wonder how many hon. members would consider as logical the prohibition of an act done with an animal, while the same act would be allowed with a person of the same sex.

[Mr. Fortin.]

Mr. Speaker, the amendment moved the hon. member for Abitibi would add the following words:

> —except where bestiality is committed.

It is meant to establish the important basic principle that the act committed with an animal is unacceptable in our society and that it indicates that the person who does it is ill.

• (3:40 p.m.)

Consequently, the Criminal Code should provide for it. Clauses 149, 148 and 147 of the Criminal Code do not clearly define this situation, and if it is dealt with, it is not sufficiently defined to allow the attorney of a defendent, in a particular case, to rely on valid jurisprudence.

The minister himself admits, Mr. Speaker, that the proposed amendment merely clarifies the law. He claims that the clarification is not necessary. As far as we are concerned, we think it is necessary that it be specified in the law so that, in practice, when an act is committed, it will come under the provisions of the law.

Mr. Speaker, with regard to the suggestions contained in amendments Nos. 7 and 8, we realize that the government, to use the minister's expression, would like to protect people of the same sex who would have sexual intercourse. According to him, it is not a question of legalizing but of exempting from the provisions of the Criminal Code, acts committed between two persons of the same sex.

Mr. Speaker, section 149A of the Criminal Code, to which an amendment is proposed in clause 7 of the present bill, provides that such an act between husband and wife would not come under the provisions of the Criminal Code.

Mr. Speaker, it would seem acceptable between husband and wife because it is only natural for a married couple to have sexual intercourse. In my opinion, it is ridiculous to provide for such situations in the law, unless there is no consent.

The same section deals with the commission of a similar act between two persons of 21 or more. Legally speaking, the young people must be at least 21 years old. This is a sine qua non condition. It is not required as a sine qua non condition that people be mentally sane. No. The only condition is that they have completed their twenty-first year. These people are then beyond the reach of the Criminal Code and are permitted to do this as long as they are two to commit the act—

Mr. Pierre De Bané (Matane): Mr. Speaker, I would like to ask the hon. member whether he has read clause 2 (b) (ii) which reads as follows, and I quote:

(b) a person shall be deemed not to consent to the commission of an act

(ii) if that person is... feeble-minded, insane, or an idiot or imbecile—

Mr. Fortin: Mr. Speaker, I was about to deal with subsection (b).

I thank the hon. member for having pointed this out to me, and I shall take the opportunity later on to comment on those two subsections.

I was saying, Mr. Speaker, that this clause is intended to spare them the penalties provided for in the Criminal Code, when two persons at least 21 years of age commit a sexual offence, even though they may be of the same sex.

This clause of the bill does not say whether such an act committed with an animal would be legal or illegal. The whole thing is not very specific and is extremely vague.

This is why I willingly support the amendment brought forward by the hon. member for Abitibi who has done an excellent job on this omnibus bill. All this amendment does is to add an exception: "except where bestiality is committed", because it is obvious that this is an abnormal and unacceptable deed. Mr. Speaker, we must acknowledge that an act committed with an animal, by a person of sound mind and twenty-one years of age, or more is not natural and that it should be severely punished by the Criminal Code.

Mr. Speaker, this argument is logical and should give some food for thought to the members who sit on the government side.

And I confess, Mr. Speaker, that I am extremely surprised to see my colleagues of this fair and great liberal party afraid to stand up and speak out their minds. I am at a loss to explain that passive behaviour, that puppet reaction.

In committee, we could not move amendments because we were simply boycotted. This is so obvious that at the committee report stage, the hon. members had to move amendments because they were not allowed to do so when the bill was considered in committee. That is why we find ourselves today with 40 amendments, and have to have such foolosh discussions.

Mr. Speaker, I find it unacceptable that the hon. members from the province of Quebec, who know very well that even though our mentality is not different from that of others, it is a distinctive one, and that we have firm basic convictions, do not come together against this legislation. They should know that we need a much more serious legislation. I am shocked by their silence.

Our leader, the hon. member for Témiscamingue (Mr. Caouette), was quite right when he said that those hon. members were stuck to their seats with six inches of Lepage's glue. I sometimes wonder if the Lepage people do not contribute to the Liberal electoral fund, so that the hon. members stick to their seats.

Why do they not ever stand up to express their views? When we talk in this house, all they can do is laugh. They laugh. Look at those laughting faces, like that of the Minister of Industry, Trade and Commerce (Mr. Pepin). Not only is it their attitude, but this is the only thing they can do.

The hon. members of the progressive conservative party stand up and do their best. So I ask my colleagues to pay them this tribute.

Some hon. Members: Hear, hear.

Mr. Fortin: Mr. Speaker, government members were telling me when the house met: "Did you notice how the hon. member for Prince Albert is unable to grasp the situation?"

Old-fashioned! That is what is being said about an hon. member who has given proof of his worth and to whom many in Saskatchewan are ready to give praise for his greatness and ability. Kindly note that I am not a progressive conservative, but one must be objective. The only thing that the government members manage to do is to indulge in personalities, instead of dealing with the problems, assuming their responsibility as members of Parliament and representing their districts with dignity and in accordance with their principles.

Must we infer that when joining the liberal party an hon. member has to sacrifice his principles, his opinions and his freedom? What is then this vaunted freedom the Liberals are talking about? What manner of a just society is it, which denies to its members freedom of expression? Would it then be a dictatorship? I ask myself that question, Mr. Speaker.

Since the beginning of the present session, I, as a new member, have been sorely disappointed to find that whenever we ask a question, we are given facetious answers, that are liable to give rise to constitutional disputes.

Private Bills

• (3:50 p.m.)

[*English*]

Mr. Deputy Speaker: Order, please. Again I should like to remind the hon. member, and other hon. members, that the debate should be restricted as much as possible to the specific amendment before the house. I invite the hon. member for Lotbinière to do just that.

[*Translation*]

Mr. Clermont: Who is laughing now?

Mr. Deputy Speaker: Order, please. We should come back to the matter of the debate.

Mr. Fortin: I thank you, Mr. Speaker. I quite agree and I apologize if I get carried away, as I said last night.

But I am young and that may be the reason why I sometimes stray further afield. I believe that it is important that we assume our responsibilities and that, without fear, we at least study the amendments.

I ask the government members to have the courage to read these amendments before stating that they are opposed to them.

Whenever we present a motion to the house, Mr. Speaker, there is a general outcry. When the hon. member for Abitibi said, a moment ago, that he was presenting an amendment in order to clarify the act, he was right.

[*English*]

Mr. Deputy Speaker: Order, please. The hon. member's time has expired.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, may I call it four o'clock?

[*English*]

Mr. Macdonald (Rosedale): Mr. Speaker, I wonder whether there would be any general disposition in the house to suspend private members' hour for this afternoon and continue this debate until five o'clock.

Mr. Baldwin: On one condition, Mr. Speaker; provided that if we complete the study of all those clauses up to the eleventh amendment, the provision as to a recorded vote being taken is such that the vote will not be taken today.

Mr. Knowles (Winnipeg North Centre): We agree, Mr. Speaker.

[Mr. Fortin.]

[*Translation*]

Mr. Fortin: We do not agree, if it is a question of doing away with private members' hour because the time set aside for that purpose is already too short.

[*English*]

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

PRIVATE BILLS

BRITISH NORTHWESTERN INSURANCE COMPANY

The house resumed, from Thursday, February 6, consideration of the motion of Mr. Allmand that Bill S-9, respecting British Northwestern Insurance Company, be read a second time and referred to the Standing Committee on Finance, Trade and Economic Affairs, and the amendment thereto of Mr. Broadbent. (p. 5240)

Mr. Frank Howard (Skeena): Mr. Speaker, this is a bill about which, like others, we periodically have to refresh our memories. Perhaps I should read the remarks made by the sponsor of the bill, the hon. member for Notre-Dame-de-Grâce (Mr. Allmand), when he introduced it on December 17, as reported at page 4059 of *Hansard*:

> —since this bill has already been before the house on three occasions I will not take very long to explain it. It was before the house on November 3, 1967, January 23, 1968 and February 29, 1968. On November 3 I made a detailed explanation of the bill, to be found at page 3813 of *Hansard* for that date.

Very briefly, Mr. Speaker, this company seeks, first, permission to change its name and, second, to increase its authorized capital. However, as the hon. member for Notre-Dame-de-Grâce indicated in his remarks reported in *Hansard*, the company would be willing to forgo the request for increased capitalization if it could feel some assurance that the name change would be permitted. This, to an extent, seemed then, and still does now, somewhat strange. Perhaps I do not understand the way insurance companies operate, but I would have thought they would have placed more emphasis on increasing their capitalization than they would have on changing their name.

I say that because the company operates, directly and through subsidiaries, with companies that have names that are completely different from the Eagle Star, or whatever name the company thinks would be appropriate to adopt in Canada. When this Company offers to give up the prospect of increased capitalization, that means to me simply that the company was not sincere in the first place or is not anxious to have that increased capitalization.

• (4:00 p.m.)

Mr. Allmand: On a point of order, Mr. Speaker. It is my understanding that we are now discussing the amendment to my motion. I refer to the amendment moved by the hon. member for Oshawa-Whitby (Mr. Broadbent) on February 6, 1969, to the effect that the bill be not now read a second time but that it be read six months hence. The remarks of the hon. member for Skeena are a repetition of his original remarks when he was speaking on my motion. I think he ought to keep his argument relative to what we are discussing here and not repeat what he said before.

Mr. Howard (Skeena): I should like to comment on that point of order, Mr. Speaker.

Mr. Turner (Ottawa-Carleton): You have the wrong file, Frank.

Mr. Howard (Skeena): I thank the hon. member for drawing to my attention that I have made these remarks before. I can only conclude that nothing has changed and that we are still in the position we occupied formerly. I intend to say something about the amendment with respect to the six months hoist. But this point was not really a point of order, Mr. Speaker. I notice you are sitting back comfortably with your arms folded and have no intention of supporting the position of the hon. member for Notre-Dame-de-Grâce. That is because you and I know, I am sure, that the hon. member has not raised a point of order and is simply wasting the time of the house when we are trying to assist him in coming to some conclusion as to what should happen to this bill.

The hon. member has not the support of the government, either, because the government house leader asked us to dispense with private members' hour and thus deprive the hon. member of the opportunity of dealing with this bill.

Mr. Turner (Ottawa-Carleton): You must be smiling when you say that, Frank.

Mr. Howard (Skeena): I would smile if it were not for the fact that on one occasion the Minister of Agriculture (Mr. Olson), after the suggestion had been made that private members' hour on that particular occasion might be dispensed with, got up in righteous indignation and said, "Oh no; we as the government, do not agree with that. We think we should continue on all occasions during private members' hour with business sponsored by government members."

As the Minister of Justice said, I might smile if it were not for what the Minister of Agriculture said on one occasion and if it were not for the suggestion that the government house leader made. May I now return to the argument I was pursuing before I was interrupted? I was saying that the company is not sincere.

Mr. Allmand: On a point of order, Mr. Speaker.

Mr. Howard (Skeena): Mr. Speaker, I have not quite finished speaking on the hon. member's first point of order. Perhaps, he will wait until I have finished my remarks.

Mr. Deputy Speaker: Perhaps I ought to declare now that what was raised was not a point of order. We should return to discussing the amendment.

Mr. Allmand: Mr. Speaker, may I have a ruling on my point of order?

An hon. Member: You have just had it.

Mr. Allmand: Mr. Speaker, Standing Order 34 (2) deals with irrelevancies and repetition. The hon. member is repeating what he said before. Not only is he not speaking to the amendment, but he is repeating what he said on the original motion. I should like to have a ruling on my particular point of order.

Mr. Deputy Speaker: I am quite prepared to give a ruling. The Standing Orders refer to repetition and relevancy, and there is also an interesting analysis of the rule of relevancy in Beauchesne. I invite hon. members to look at it. May I also observe that the question of relevancy is difficult to interpret. I, therefore, think that the hon. member who has the floor ought to direct his remarks to the amendment. I invite him, in support of the observations of the hon. member for Notre-Dame-de-Grâce, to limit his remarks as much as possible to the amendment.

Mr. Howard (Skeena): Mr. Speaker, I was desperately trying to do that, but it is difficult

to do so in view of the commentary coming from hon. members opposite. I am in two minds about the amendment. I do not know whether or not to support it. If I support the amendment for a six month hoist, then hon. members opposite will immediately say that I and members of my group have undertaken six months from now to permit the bill to receive second reading. That would be sometime in October.

An hon. Member: Right.

Mr. Howard (Skeena): Some hon. member opposite says, right. That convinces me that I ought not to support the amendment for a six month hoist, because to vote for the amendment would be tantamount to voting for the principle of permitting the bill to be read a second time six months from now, and that I cannot accept. In any event, we ought to look carefully at what this bill attempts to do.

Really we are attempting to determine how we ought to proceed with respect to this bill. We, therefore, ought to examine it carefully to see exactly what the change of name that is sought will do. I do not think the company was very sincere in asking for an increase in capitalization; otherwise it would not have abandoned so easily its quest for extra capital. Perhaps, on the other hand, there is some commitment from the Liberal party or the government that it will obtain its capital through some other procedure.

Mr. Allmand: I wish it were so.

Mr. Howard (Skeena): One wonders why the company wishes to have the word "Eagle" incorporated in its name when in its world wide operations under the aegis of various subsidiaries, it so seldom uses that word in its name. In that connection it may be interesting to note the names of the company's various subsidiaries. In Britain they are, The Army, Navy and General Assurance Association Ltd., British Crown Assurance Corporation, Ltd; Eagle Insurance Co. Ltd.; Home and Overseas Insurance Co. Ltd.; City of London Insurance Co. Ltd.; Jacksons of Wandsworth Ltd.; Liverpool Reversionary Co. Ltd.; Midland Assurance Ltd.; Navigators and General Insurance Co, Ltd.; Philatelic Insurance Ltd.,; Premier Motor Insurance Co. Ltd.; Removers and General Insurance Co. Ltd.; Shipowners' Security Insurance Co. Ltd.; Theatres Mutual Insurance Co. Ltd.; Threadneedle Insurance Co, Ltd.; Trent Insurance Co. Ltd.; Western Star Insurance Co. Ltd.;

In Australia the subsidiary is called Eagle Star Nominees Ltd.; in the Bahamas it is Sceptre Trust Ltd.; in Barbados it is Barbados Fire Insurance Company; in Canada it is British Northwestern Insurance Co., and Security National Insurance Co.; in Jamaica it is British Caribbean Insurance Co. Ltd.; in Nigeria it is Nigerian Eagle Insurance Limited; in Zambia it is Zambian Eagle Insurance Co., Ltd.; in South Africa there are four subsidiaries, British African Properties Ltd., S.A.F. House Ltd., South African Eagle Insurance Co., Ltd., and Threedneedle Properties (S.A.) Ltd.

It is interesting to note that only in few instances does the word "Eagle" occur in the names of any of these subsidiaries. It is, therefore, difficult to follow the company's reasoning, when it says that the word "Eagle" included in the company's name is in some way valuable to that company.

• (4:10 p.m.)

This company, with its almost innumerable subsidiaries, operates all over the world. It has connections, directly and indirectly, through joint ownership, with other ventures. This raises something we should look at very seriously, Mr. Speaker, in this country, the conglomeration or agglomeration of companies that work one with the other. These companies get involved in all sorts of activities through stock promotion deals, draining off resources of subsidiary companies of which they get control. The purpose of this control is not to provide goods and services properly, but to develop a greater amount of control over larger sections of our economy. We should not give any effect to that purpose, even though in this bill the company simply requests a change of name.

This is a company which is foreign owned, foreign dominated and foreign controlled. I think this company, which has all the traditions of Britain behind, it would be overjoyed to become a Canadian company in the full sense of the word. In fact, the sponsor of the bill gave some recognition to the necessity of companies being Canadian owned. He gave recognition to the value of it being nothing less in a publicity or propaganda sense. He pointed out this company invests in Canada and most of the personnel and directors are Canadian. Why did he say that, apart from the fact that it may be true? I do not think the hon. member for Notre-Dame-de-Grâce (Mr. Allmand), and others who sponsor bills respecting foreign owned companies, make such statements out of recognition of the fact that there is growing in this nation a stronger demand to gain control over our economic

affairs and activities. People who say these are Canada Canadian companies, with most of the directors and personnel Canadians, do so in an attempt to cater to the growing feeling of nationalism in relation to the control of our economy. These statements are not really sincere because they are not followed by any sort of action.

I stated yesterday when dealing with the bill respecting the Transcoastal Assurance Company that we should commend the proceedings of the committee which dealt with this bill to all sponsors of private bills relating to insurance, trust, loan or other types of companies involved in monetary or economic activities in the nation. They could read in the committee proceedings what one gentleman voluntarily decided. This gentleman represented a company that wanted to establish itself in Canada. Before the bill was even introduced, this company voluntarily offered to write into the piece of legislation those guarantees which, over a period of years, would ensure that the company would become Canadian owned. Regretfully, there was a section in the insurance act which confined that request and desire, but none the less the desire was there in the first place.

If Eagle Star Insurance Company, British Northwestern Insurance Company or whatever its name is or will be or whoever the parent owners are, will say to the Canadian people the company will become Canadian owned within a period of time considered reasonable to phase out their operations, then it will be accepted by Canadians everywhere. If the company is reluctant or refuses to do that, I must maintain the position I have maintained all along, namely this parliament should not give any endorsement to a company with that sort of structure remaining foreign owned. We should no longer sell ourselves out by endorsing the concept of continuation of foreign ownership. We should start to reverse this trend. I do not expect this proposition will fall on receptive ears within the Liberal Party. We know they have been sell-out artists for years. The situation was not altered even in those years they were out of office.

I wish to read a few words by Mr. Douglas Thornsjo, legal counsel representing the proposed Transcoastal Life Assurance Company. Mr. Thornsjo appeared before the Standing Committee on Finance, Trade and Economic Affairs on March 20 of this year. Among a number of other declarations, he said:

> We feel that the growth of the Canadian business, particularly in terms of numbers of people serviced through our group contracts, sir, warrant Canadian participation initially in and, ultimately, ownership of this company. We sense a widespread feeling in Canada that residents and citizens here might prefer to deal with their own companies rather than with foreign companies no matter how good, if you will permit me to say so, the foreign company might be.
>
> I think we feel that we are going to be able to do a better job in Canada with a part ownership—a partnership, if you will—than we can as an outside company that comes in, being wholly owned outside the nation, and tries to do business with Canadians. It is a matter of judgment and I am not sure our judgment is right.

Would the hon. member for Notre-Dame-de-Grâce, who is now reading the paper very carefully, disagree with that contention of Mr. Thornsjo? Would he object to that as being a guide line for corporate activity in this country? I suppose there is no point pursuing the matter any further. The hon. member is deeply engrossed in a newspaper and obviously not interested in the matter of Canadian ownership.

Mr. Allmand: I am interested in Canadian ownership, but not in the nonsense coming from the other side.

Mr. Howard (Skeena): Speak up, I did not hear you.

Mr. Allmand: I am interested in Canadian ownership, not the nonsense from the other side which I have already heard 10 or 11 times.

Mr. Howard (Skeena): Let me quote Mr. Thornsjo's words to you. He is the legal counsel representing the Transcoastal Life Assurance Company.

The Acting Speaker (Mr. Béchard): Order, please. I understand the hon. member's time has expired.

Mr. Howard (Skeena): With respect, Mr. Speaker, there must have been seven or eight minutes of my time consumed by spurious points of order by the hon. member opposite.

The Acting Speaker (Mr. Béchard): I understand a few minutes were taken into account in determining that the hon. member's time had expired. If the house agrees, the hon. member's time can be prolonged beyond the time allotted by the rules of the house. Is there unanimous consent?

Some hon. Members: Agreed.

An hon. Member: No.

The Acting Speaker (Mr. Béchard): I think I heard at least one negative response.

Mr. John Gilbert (Broadview): Mr. Speaker, Bill S-9 is the bill before us at the moment. I was rather disappointed to hear a negative voice from the government side. As a result the hon. member for Skeena (Mr. Howard) is not permitted to continue the very thorough and intellectual remarks he has been making. He wanted to respond to the remark by the sponsor of the bill who said he had heard nonsense from this side of the house on the question of Canadian ownership. This bill was introduced in the fall of last year. In the month of December, I had the opportunity to speak to it. At that time I set forth our objections with regard to the problem of the name, the problem of foreign ownership and other related matters.

• (4:20 p.m.)

The bill came up for debate again in February of this year and one of my colleagues moved an amendment that it be not read a second time then but that it be read a second time six months hence. We are now directing our remarks to that amendment.

When I hear the hon. member for Notre-Dame-de-Grâce (Mr. Allmand), for whom I have a high respect in so many other matters, say that the members of this party have spoken nonsense on the question of foreign ownership it makes me realize how necessary it was for the hon. member for Oshawa-Whitby (Mr. Broadbent) to present this amendment. The presentation of the amendment permits us to attempt to convince him of the strength and clarity of our position in the hope that he and other hon. members will adopt the approach which the hon. member for Skeena (Mr. Howard) was putting forth at the time his remarks were interrupted.

The hon. member for Skeena was pointing out that Transcoastal Insurance Company, an American owned company, made an application to conduct insurance business in Canada and gave an opportunity to Canadians to participate in the ownership of that company. We, on this side of the house, welcomed that application. We gave it our blessing. The bill went to the Standing Committee on Finance, Trade and Economic Affairs where it was given a thorough hearing on the question of ownership, and after being returned to the house was given quick passage yesterday on report stage and third reading.

[The Acting Speaker (Mr. Béchard).]

I would have thought that the hon. member for Notre-Dame-de-Grâce would have wanted to hear the remarks made by counsel for Transcoastal Insurance Company concerning the attitude of that company to the right of Canadians to participate in the ownership of companies doing business in Canada, Canadians from whom premiums are obtained, from whom profits are made, and with whom some of the profits should be shared.

Mr. Allmand: The hon. member has referred to the company whose bill received third reading yesterday and said that before the standing committee the officials of that company made some important declarations with respect to ownership of the company. Would the hon. member be willing to let this bill get second reading so that the officials of this company could go before the committee and answer all the questions he might wish to put regarding foreign ownership? Wouldn't he think that would be a good thing?

Mr. Gilbert: If the hon. member had made that suggestion when he introduced this bill I would have endorsed it heartily.

Mr. Allmand: I did make it.

Mr. Gilbert: I am talking about the suggestion that at the time the application was made the company might have considered the right of Canadians to participate in its ownership. Had that been done, had the hon. member committed himself and the company to the proposition that Canadians have the right to participate in the ownership of a company which plans to do business in Canada, we would not be discussing this bill this afternoon.

But the hon. member has not made that commitment. He prefers to have us give second reading to this bill, and he expects us to persuade the officials of the company to change their ways and their philosophy when we deal with them in the standing committee. The hon. member has had sufficient time to contact the petitioners, but in the interim I have heard no response from them concerning this ownership question.

This is really a twofold application. One is to change the name of the company from British Northwestern Insurance Company to Eagle Star Insurance Company of Canada and in French, Eagle Star Compagnie d'Assurance du Canada. The second application is to increase the capital stock of the company from $2 million divided into 50,000 shares of $40 each to $5 million divided into 125,000 shares of $40 each.

The hon. member for Skeena has pointed out that this company is completely owned by a British Company called Eagle Star, and that Eagle Star has operated in Canada under the British and Canadian Insurance Companies Act using the name British Northwestern Insurance Company.

The hon. member for Skeena also gave a long list of names of companies which the parent company owns, not only in England and in Europe but in other parts of the world. He has pointed out that it is a vertical conglomeration not only with regard to life insurance but, probably with regard to fire insurance and other forms of insurance.

In December last year I questioned the proposed change of name from British Northwestern Insurance Company, which to me has all the flavour of an English name, and has all the strength, meaning tradition and custom that are contained in the word British. Eagle Star to me denotes an eagle, the emblem which represents the United States and which is on its coins and other insignia; and star is part of the Stars and Stripes of the United States flag. I also referred at that time to the Red Star of Russia.

An hon. Member: And there is the Star of Bethlehem.

Mr. Gilbert: And the Star of Bethlehem, which almost gives it a religious flavour. I appreciate that interruption because it indicates that there may be an attempt on the part of this company to tell the Canadian people that it is not an English owned company but an American owned company. I would not like to think of the people in Ontario, in the west, and especially in Quebec being misled with regard to the ownership of this company by a mere change of name from British Northwestern Insurance Company to Eagle Star Insurance. If the petitioners were really serious about the change in name they would carry the idea through to the names of the other companies which they own. As the hon. member for Skeena pointed out, in the long list of companies that he gave there is the Army and Navy Insurance Company.

• (4:30 p.m.)

I notice the Minister of National Defence (Mr. Cadieux) is with us this afternoon and is listening very attentively to the debate. I am sure if we were considering the Army, Navy and General Insurance Company he would be the first one to oppose any change to Eagle Star because he knows what Army and Navy stands for; it has a tradition. It is a name worthy of remembering. Here, we have a sort of planned attempt by this company to change a name like British Northwestern Insurance Company to a name which has a United States tone, Eagle Star Insurance Company. I, for one, as a member of this house resist the change of name if it is an attempt to fool the Canadian public that it is now to be United States owned rather than British owned. That was the substance of the first remark I made on another occasion.

Then, I went into the question of foreign ownership. I pointed out that great Canadians like Walter Gordon had made the Canadian public aware of the increasing penetration of foreign ownership in Canada. We have had a strong example of this in respect of insurance companies.

Mr. Allmand: Mr. Speaker, I rise on a point of order. I do not wish to be overly persistent, but as I pointed out with regard to the previous speaker it is my understanding we are now speaking to an amendment moved by the hon. member for Oshawa-Whitby (Mr. Broadbent) on February 6. The member who is now speaking to this bill keeps on referring to what he said during the previous debate. He is repeating himself and not speaking to the amendment. I would ask, Mr. Speaker, that he speak to the amendment rather than to the motion to which he has already spoken.

Mr. Howard (Skeena): If I might be permitted to speak to the point of order, Mr. Speaker, I only do so because from my memory Your Honour was not in the Chair at the time the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) raised this point of order in respect of myself.

An hon. Member: Equally valid.

Mr. Howard (Skeena): I understood that the deputy speaker at that time made a ruling to the effect that the hon. member for Notre-Dame-de-Grâce in fact did not have a point of order and referred the hon. member for Notre-Dame-de-Grâce to some particular citations or documents which he should study in order that he would appreciate more clearly just what is involved in debating a bill of this nature. I think Your Honour would probably come to the same view and substantiate what the deputy speaker said earlier.

Mr. Speaker: In respect of the point of order raised by the hon. member, the Chair feels it is bound by the ruling made earlier this afternoon by the Chair, whatever that

ruling was. Hon. members heard it and I am sure would want to abide by the decision of the Chair at that time. Looking at the matter in a particular way, it is not within the rules of the house to repeat the substance of a speech which has been made before. It is certainly not in accordance with proper, traditional and customary parliamentary debate to use an amendment that the bill be not read a second time, but be read six months hence, as an opportunity to repeat a speech which has been made previously. Clearly, the rules do not allow this.

I am not one of those who was fortunate enough to hear the hon. member's earlier speech, so I am in a difficult position to say whether there has been a repetition. The hon. member would have to be guided in this respect by his conscience. I refer, of course, to his parliamentary conscience.

Mr. Gilbert: I was sure you were referring to my parliamentary conscience, Mr. Speaker. I have not had an opportunity to refresh my memory with regard to just what I did say in detail some time in December. I was attempting not only to refresh my memory but to refresh the memory of some of the members who had the delight of hearing me back in December of last year, and more especially the hon. member for Notre-Dame-de-Grâce because he is a very keen, intellectual type who picks up points very quickly. The only reason I referred to that speech was to refresh his memory. I shall refrain from referring to the speech I made on the last occasion. I shall dwell on this name of Eagle Star Insurance Company and the increase in capitalization.

I had said I am one who would like to resist the change from British Northwestern Insurance to Eagle Star because of the possible attempt by the company to give a United States flavour or name to this company which is wholly owned by British interests. While the hon. member for Skeena was addressing himself to the point of order, I had an opportunity to look again at some of the names of the companies this Eagle Star Insurance Company Limited of London owns. I already referred to the Army and Navy Insurance Company. I notice they own the Midland Insurance Company, which again is an English name. They have the British Caribbean Insurance Company and the Threadneedle Insurance Company. Any person with any knowledge of English history knows the word "Threadneedle" has a special meaning with regard to English history and more especially with regard to English finance. I would think that if this company, Eagle Star Insurance Company Limited, were about to change the names of all its companies, it would do so first with regard to some of these companies which are contained within its own borders rather than come across the seas to Canada and attempt to change a great name like British Northwestern Insurance Company.

If my friend at this time can assure me that this company intends to change all the names of the subsidiaries it owns to the name Eagle Star, and give the full meaning to the name Eagle Star and possibly the connotation that it is United States owned, I might be persuaded that this change of name is one which is made in good faith rather than in an attempt to mislead Canadians concerning ownership.

I am sure, Mr. Speaker, you will give me a few more minutes because of the problems I have encountered from members on the other side concerning points of order. I intend to discuss the more important subject of insurance. I happened to get a book from the library which was on the reading list sent to members of the house. I think we should compliment the staff of the library for sending to members the lists of books that are new and which are in the library. I saw the name of a book called the "Mortality Merchants". My first thought was that maybe these were munitions makers. The summary of the book, written by a man named G. Scott Reynolds, indicates it deals in detail with insurance companies. The book deals with the activities of companies in the field of insurance. I have had an opportunity to read about 50 pages of this most fascinating book.

• (4:40 p.m.)

The author sets forth some of the problems insurance companies and policy holders have in understanding insurance. I should like to tell the members of this house, and recommend to them, that the reading of—

Mr. Speaker: Order, please. I have some doubt as to whether the hon. member is entirely in order in directing the attention of hon. members of the house to his reading habits, suggesting that they should be adopted by other hon. members. What we are now dealing with is a change of name. Certainly, the hon. member's references to insurance laws generally are entirely irrelevant so far as this bill is concerned.

Mr. Gilbert: I appreciate your remarks, Mr. Speaker, but I should like to point out to Your Honour that we are dealing with two things; a change in names, and a change in capitalization. I think Your Honour might be confusing this matter with another application before the house to change only the name of a company. I would think that insurance generally might be discussed in respect of this capitalization aspect.

I might say that I have only read 50 pages of this book, and I am not in a position to emphasize the impact of its content.

An hon. Member: Then sit down and read it.

Mr. Gilbert: I will defer any further remarks in this regard to another occasion.

Mr. Randolph Harding (Kootenay West): I should like to speak briefly on the bill now before the house. We are dealing with an amendment that the bill be read six months hence. Let me give my reasons for supporting this motion to hoist the bill for six months. Before doing so, I should like to suggest that the sponsor of this bill made some unwarranted remarks in respect of hon. members in this house. There was no need for this type of action at this time. He suggested that members on this side of the house were talking nonsense when debating the fundamental issues facing this house and the country. If the member thinks we are stating nonsense, I should like to assure him that the members of this party and the public of Canada are continually reaching the conclusion that bills of this kind represent nothing but nonsense.

Mr. Allmand: May I ask the hon. member a question?

Mr. Harding: Certainly.

Mr. Allmand: If this bill is as important as the hon. member suggests, will he tell the house whether he was present on other occasions when this bill was debated in the house and talked out by members of his party? Was he present and did he participate in those debates?

Mr. Harding: Mr. Speaker, I understand this bill came up in December. I was certainly here at that time.

Mr. Allmand: You are wrong.

Mr. Harding: Do you mean to say that this bill was not debated in December last year?

Mr. Allmand: And in February.

Mr. Harding: I was in the house when the debates took place.

Mr. Allmand: That's good.

Mr. Harding: This bill may have come to the floor of the house prior to that, but I have no knowledge in that regard because I was not a member. In any event, I suggest it is improper for any member to state that we are talking nonsense. Let me ask you a question. Perhaps you will get up in this House of Commons and tell us and the Canadian people what you are trying to do to the economy of Canada by permitting and sponsoring these insurance bills which cause us to lose control of more of our economy. We have every right to stand in our places in this chamber and protest against the action of individual members of the government party who sponsor these bills. I should like to ask the hon. member a question, and I hope he gets on his feet to answer.

Mr. Speaker: Order, please.

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

Mr. Speaker: Order, please. Let me remind the hon. member for Kootenay West (Mr. Harding) that he is quite out of order at this time in that he should address his remarks to the chair. I now recognize the hon. member for Grenville-Carleton (Mr. Blair) on a question of privilege.

Mr. Blair: Mr. Speaker, the hon. member has raised a subject which I think affects the privileges of all hon. members of this house. Hon. members sponsor private bills from time to time. Regardless of the privileges of this chamber, hon. members should not cast aspersions in respect of the motives of other hon. members. Nothing derogatory should be suggested about the reasons behind the sponsorship of bills in this chamber. It is my submission there is a grave reflection in respect of the privileges of all of us in those words uttered by the hon. member.

Mr. Howard (Skeena): I should like to say a word or two about this question of privilege, Mr. Speaker. Perhaps there is an element of value in what I have to say in view of the fact that the hon. member for Grenville-Carleton did not move rapidly from his seat. Perhaps he is staying because I correctly identified his constituency, and I must admit that I have made a mistake on other occasions.

Usually an hon. member who sponsors a private bill in this house gets up on his feet to advocate or endorse the measure. Certainly, in respect of this bill which deals with ownership, we are justified as members of parliament in questioning the sponsor or the member endorsing the bill. In view of the attitude adopted by hon. members on the other side of this chamber, we are right in assuming that those members are advocating foreign ownership. As a result of the remarks of the hon. member for Notre-Dame-de-Grâce (Mr. Allmand), I assume he endorses this concept of foreign ownership in respect of insurance companies.

For the reasons I have outlined, I do not think we in the opposition can be criticized for taking this position as individual members. Surely, there is no question of privilege.

Mr. Speaker: The point raised by the hon. member for Grenville-Carleton is justified to the extent that personal aspersions should not be cast in respect of hon. members. However, that is not my understanding or interpretation of the objection taken to the words uttered by the hon. member for Kootenay West. I understood that the hon. member was referring only to the parliamentary responsibility of members. I did not understand him to suggest that anything which should not be done by a member was in fact being done. I did not understand that he was casting personal aspersions. For that reason, I do not think the hon. member is justified in his belief that he has been offended by the remarks of the hon. member for Kootenay West.

Mr. Harding: Thank you, Mr. Speaker. I assure you and hon. members of this house that there was no personal reflection intended in anything I said. We have every right to criticize parliamentary functions, and I intend to criticize them. I should like to thank you, Mr. Speaker, for requesting the members to direct their questions through you. This is the way it is done in this house, so I direct this question through you to the hon. member sponsoring the bill. Is it nonsense for us to stand up and speak out for the retention of Canadian control of our financial institutions? Is it nonsense and un-Canadian to request that Canadians regain control of some of those important sectors of our economy which have passed from our hands?

• (4:50 p.m.)

Mr. Allmand: May I ask the hon. member another question, please?

[Mr. Howard (Skeena).]

Mr. Harding: Yes, certainly, if Mr. Speaker will permit it.

Mr. Speaker: The hon. member for Kootenay West has the floor. If he allows it, then the hon. member may ask a question, but this is left entirely to the discretion of the hon. member for Kootenay West who is entitled not to be interrupted if he chooses to continue his speech without interruption.

Mr. Harding: I will permit a question, Mr. Speaker.

Mr. Allmand: The hon. member said it is his duty to speak out against the foreign control of our economy. I wonder whether he would speak out as strongly against the foreign control of some of the trade unions in Canada.

Mr. Howard: I sure as hell will.

Mr. Allmand: I am asking the hon. member for Kootenay West if he will speak out as strongly against the foreign control of some of the large trade unions in this country which support his party.

Mr. Howard (Skeena): There is that nastiness again. Nasty, nasty, nasty.

Mr. Harding: The sponsor of this bill is obviously trying to get me to limit the remarks which I wish to make in the five minutes remaining, but I can assure him and the house that I have a number of points that I wish to raise in connection with this bill. I want to put them on the record, so I will continue to speak.

Let us revert to the so-called nonsense about which the hon. member is talking.

Mr. Howard (Skeena): And which he is trying to get out from under.

Mr. Harding: That is right. The former Superintendent of Insurance warned the house in his annual reports over a period of years what was happening and what could happen once we lost control of any of our financial institutions. He classed insurance companies in this very important category. It seems to me that members of this party, and other members of the house on occasion, have requested the sponsors of private bills to do their utmost with the companies involved to see if it would not be possible to bring amendments to the legislation so that we could have more Canadian control of these very institutions.

For the benefit of the house I should like to give what I think are one or two rather interesting events which have already taken place. There have been occasions when insurance companies have decided to bring in amendments on their own initiative which would give to Canadians eventual control over the insurance companies, concerning which bills which have been presented in the House of Commons by private members. I wonder if the sponsor of this bill has made this suggestion to the company. If he has, I do not know what the results were. However, I would like to read one or two brief remarks from a hearing before the Finance, Trade and Economic Affairs Committee at which a change in another insurance company was contemplated. This is what we are talking about, this is what we are urging, and this is what we are asking for. The following was said by a representative of the insurance company:

> We feel that the growth of the Canadian business, particularly in terms of numbers of people serviced through our group contracts, sir, warrant Canadian participation initially in and, ultimately, ownership of this company.

There is no objection to eventual ownership or eventual control of the company by Canadians. He went on to say:

> We sense a widespread feeling in Canada that residents and citizens here might prefer to deal with their own companies rather than with foreign companies no matter how good, if you will permit me to say so, the foreign company might be.

That is what the hon. member calls nonsense. He went on to say:

> I think we feel that we are going to be able to do a better job in Canada with a part ownership—a partnership, if you will—than we can as an outside company that comes in, being wholly owned outside the nation, and tries to do business with Canadians. It is a matter of judgment and I am not sure our judgment is right.

Here is someone sponsoring an insurance bill who is willing to make an amendment which would eventually give control of the company to Canadians, and with that control goes a huge portfolio of investment which we desperately need in Canada if we are ever going to develop our industrial potential.

Mr. Speaker: Order, please. I am sorry I have to interrupt the hon. member but I am advised that the hour set aside for the consideration of private members business has now expired.

It being five o'clock, this house stands adjourned until Monday at 2 p.m.

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

APPENDIX

NATO—PRESS RELEASE RESPECTING CANADIAN PARTICIPATION

A Canadian defence policy, employing in an effective fashion the highly skilled and professional Canadian Armed Forces, will contribute to the maintenance of world peace. It will also add to our own sense of purpose as a nation and give renewed enthusiasm and a feeling of direction to the members of the armed forces. It will provide the key to the flexible employment of Canadian forces in a way which will permit them to make their best contribution in accordance with Canada's particular needs and requirements.

The government has rejected any suggestion that Canada assume a non-aligned or neutral role in world affairs. Such an option would have meant the withdrawal by Canada from its present alliances and the termination of all co-operative military arrangements with other countries. We have decided in this fashion because we think it necessary and wise to continue to participate in an appropriate way in collective security arrangements with other states in the interests of Canada's national security and in defence of the values we share with our friends.

Canada requires armed forces within Canada in order to carry out a wide range of activities involving the defence of the country, also supplementing the civil authorities and contributing to national development. Properly equipped and deployed, our forces will provide an effective multi-purpose maritime coastal shield and they will carry out operations necessary for the defence of North American airspace in co-operation with the United States. Abroad, our forces will be capable of playing important roles in collective security and in peace-keeping activities.

The structure, equipment and training of our forces must be compatible with these roles and it is the intention of the government that they shall be. Our eventual forces will be highly mobile and will be the best-equipped and best-trained forces of their kind in the world.

The precise military role which we shall endeavour to assume in these collective arrangements will be a matter for discussion and consultation with our Allies and will depend in part on the role assigned to Canadian forces in the surveillance of our own territory and coast lines in the interests of protecting our own sovereignty. As a responsible member of the international community, it is our desire to have forces available for peace-keeping roles as well as for participation in defensive alliances.

Canada is a partner in two collective defence arrangements which, though distinct, are complementary. These are the North Atlantic Treaty Organization and the North American Air Defence Command. For twenty years NATO has contributed to the maintenance of world peace through its stabilizing influence in Europe. NATO continues to contribute to peace by reducing the likelihood of a major conflict breaking out in Europe where, because the vital interests of the two major powers are involved, any outbreak of hostilities could easily escalate into a war of world proportions. At the same time it is the declared aim of NATO to foster improvements in East-West relations.

NATO itself is continuously reassessing the role it plays in the light of changing world conditions. Perhaps the major development affecting NATO in Europe since the organization was founded is the magnificent recovery of the economic strength of Western Europe. There has been a very great change in the ability of European countries themselves to provide necessary conventional defence forces and armaments to be deployed by the alliance in Europe.

It was, therefore, in our view entirely appropriate for Canada to review and reexamine the necessity in present circumstances for maintaining Canadian forces in Western Europe. Canadian forces are now committed to NATO until the end of the present year. The Canadian force commitment for deployment with NATO in Europe beyond this period will be discussed with our allies at the meeting of the Defence Planning Committee of NATO in May. The Canadian Government intends, in consultation with Canada's allies, to take early steps to bring about a planned and phased reduction of the size of the Canadian forces in Europe.

We intend as well to continue to co-operate effectively with the United States in the defence of North America. We shall accordingly seek early occasions for detailed discussions with the United States Government of the whole range of problems involved in our mutual co-operation in defence matters in this continent. To the extent that it is feasible we shall endeavour to have those activities within Canada which are essential to North American defence performed by Canadian forces.

In summary, Canada will continue to be a member of the North Atlantic Treaty Organization and to co-operate closely with the United States within NORAD and in other ways in defensive arrangements. We shall maintain appropriate defence forces which will be designed to undertake the following roles:

(a) the surveillance of our own territory and coast lines, i.e., the protection of our sovereignty;

(b) the defence of North America in co-operation with United States forces;

(c) the fulfilment of such NATO commitments as may be agreed upon; and

(d) the performance of such international peacekeeping roles as we may, from time to time, assume.

The kind of forces and armaments most suitable for these roles is now being assessed in greater detail in preparation for discussion with our Allies.

HOUSE OF COMMONS

Monday, April 21, 1969

The house met at 2 p.m.

[*Translation*]

PRIVILEGE

MR. DUMONT—ALLEGED IRREGULARITY IN WINNIPEG MEETING OF AGRICULTURE COMMITTEE

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I rise on a question of privilege.

During the meeting of the committee on agriculture in Winnipeg, held on April 18 in the Monarch Life Building, the chairman of the committee tried by devious means to stop the opposition from making itself heard.

As I wanted to ask, in the presence of the representatives of the Wheat Pool, the Saskatchewan Wheat Board and the Western Farmers, that the Winnipeg Grain Exchange which is exploiting Canadian farmers be abolished, the chairman of that committee denied me the right to speak.

So I submit that this committee should resume that sitting, in Ottawa, with all the representatives who were in Winnipeg attending, to prevent this time the use of such devious means.

I put forward this proposal in order to know the true exploiters in the grain trade.

ROUTINE PROCEEDINGS

MISCELLANEOUS ESTIMATES

Sixth report of Standing Committee on Miscellaneous Estimates—Mr. Fernand-E. Leblanc (Laurier).

[*Editor's Note: The text of the foregoing report appears in today's Votes and Proceedings*]

[*English*]

EXTERNAL AFFAIRS

REPORT ON FIFTH CANADA-JAPAN MINISTERIAL MEETING

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I should like to table the joint communiqué of the fifth meeting of the Canada-Japan ministerial committee and to report very briefly to the house on the very useful meetings which were held in Tokyo last week.

This ministerial committee is not a negotiating body but rather a means whereby ministers from the two countries can from time to time exchange views on the full range of bilateral relations between Canada and Japan, as well as on the international situation. The fact that Japan is Canada's third largest trading partner, now competing for second place, is in itself sufficient reason for periodic and high level discussions between Canadian ministers and their Japanese counterparts.

The need for and the utility of these meetings is enhanced by the increasingly close co-operation between Canada and Japan in political and other fields, both bilaterally and in all the major international organizations to which we both belong. Most of all however the meetings form an important part of Canada's role as a Pacific as well as an Atlantic country, and they also reflect the growing Canadian activities throughout the Pacific area.

I have taken part in three meetings of this committee in different capacities and, in my view, the one just completed is the most useful to date, in large part due to the increasing easiness of discussions over a broad range of subjects. This is not to suggest that we found a complete identity of views with the Japanese. We did not, and, where we differed, we both made clear where our differences lay. On bilateral matters, for example, as you will see from the communiqué, the Canadian ministers spoke with some vigour about certain Japanese trade restrictions which are causing difficulties for some Canadian exports. But one advantage of these meetings is to enable ministers to speak directly with their Japanese opposite numbers on matters which are of great concern to Canada.

• (2:10 p.m.)

In addition to expressing my satisfaction over the quality of the discussions, both formal and informal, which we held with our Japanese colleagues, I should like to express our thanks for the warm and generous hospitality offered by our hosts. We were able to visit certain areas outside the capital and to

get some impression of the cultural and industrial aspects of Japan. We visited the site of Expo '70 at Osaka and saw the Canadian pavilion, its outward structure now almost completed, and the pavilions of British Columbia, Ontario and Quebec. The extent of Canadian participation in this world exhibition, and the fact that our visit coincided with a tour of Japan by the Toronto Symphony Orchestra are, I believe, further indications of the broadening and deepening of our relations.

It is of interest that a special newspaper supplement marking the visit was issued on the day our meetings began. The relationship between Canada and Japan is, I am convinced, a relationship which contains great mutual benefits and which in itself makes some contribution to stability and economic development in Asia and the Pacific region.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, sometimes while we are preoccupied with other parts of the world we in Canada forget how important Japan is in the far east. I am sure the minister's visit there was of importance. I am thinking of joint efforts we shall make with the United States and Japan to conserve the north Pacific fishery. There will also, I hope, be an increase, particularly in coal and wheat, in our trade with Japan. If Expo '70 at Osaka is anywhere near as good as Expo '67 at Montreal was, the Japanese will do well.

A strong Japan taking its part in world international affairs is of increasing importance to Canada. I welcome the minister's statement therefore, and welcome his return along with that of his colleagues.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I am sure all hon. members welcome back our delegation from Japan. I expect most of us have seen some of the television shots of the delegation having tea with the geisha girls. I hope the Prime Minister will arrange for us to have a report of the extracurricular activities of the delegation, which may be more interesting than the report of their official visit.

Mr. Baldwin: And less bland, probably.

Mr. Knowles (Winnipeg North Centre): The Prime Minister is jealous.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I hope the Secretary of State for External Affairs and other members of the committee are planning at an early date to give the house more information than is contained in the minister's communiqué which has just been tabled. We shall be interested to know something about discussions touching on Viet Nam, in which the Canadian and the Japanese governments expressed the hope of seeing an early peace settlement.

I also hope we shall obtain further information showing whether both governments, the Canadian and Japanese, are prepared to take steps in promoting a peaceful settlement in Viet Nam. We shall be particularly interested in hearing the Secretary of State for External Affairs tell us at an early date about Japanese reactions to Canada's intention to recognize the Peking administration. A news release from Tokyo carried last Saturday in the Montreal *Gazette* says in so many words that the question of opening diplomatic relations with Peking will be discussed separately from the question of Chinese representation at the United Nations. Frankly I do not quite know what that means. Does that mean, and I should welcome hearing an explanation about this, that although the Canadian government contemplates recognizing the Peking régime it will not lend its support to the idea of having mainland China become a member of the United Nations.

The communiqué just tabled says that both governments are in favour of strengthening the International Grains Arrangement. I hope the Minister of Industry, Trade and Commerce (Mr. Pepin) will tell the house whether the Canadian delegation had any success in securing some markets for Canadian wheat. Most members know that, during the time the United States was selling below the International Grains Arrangement price floor, a very large part of the Japanese market went to the United States.

I hope the government can give some assurance that there is a distinct possibility we can regain that market. I also hope the minister will be able to tell us whether he had any success in reaching an agreement with Japan to allow Canadian rapeseed into Japan on the same basis that United States soyabeans are admitted, because we are operating at a great disadvantage in this market.

I trust that by a statement on motions or in some other form we will have a report at an early date from each of the ministers regarding discussions that took place, and the conclusions reached.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, we are happy to hear from the Secretary of State for External Affairs (Mr. Sharp) that the Canadian mission to Japan has been fruitful.

Having visited Japan myself in January, I noticed that trade agreements, co-operation and goodwill between Canada and Japan could be quite beneficial to our country.

During my trip, I noticed that the Japanese citizen was practising what President Kennedy said and repeated: Ask not what your country can do for you; ask what you can do for your country.

Japan has a population of 100 million inhabitants. It is a populous country but not that much compared with other great countries.

Despite that, it is developing at an incredible speed in every field of economic activity.

The Canadian ministers must have realized that the more relations we have with Japan, the more we will benefit from them. I sincerely believe that we have everything to gain by having more contacts with that country than we may have had with certain European countries in the past, because we have more to learn from Japan than from Europe, from every point of view. I suggest that our commercial and cultural relations with Japan must be improved.

I have also noticed that the ministers discussed just about everything with their Japanese counterparts during their stay in that country. They discussed the wheat trade, for example, and I felt at a certain point, while I was in western Canada, that the five, six or seven ministers sent to Japan could have liquidated the actual wheat surplus in the western provinces and shipped a good part of it to those who need it, particularly to Japan.

Mr. Speaker, we are happy to see that Canada is taking the necessary steps to initiate and maintain closer and more extensive relations with Japan, and I am convinced that our two countries will greatly benefit from it.

• (2:20 p.m.)

[*English*]

PUBLIC ACCOUNTS

CONCURRENCE IN THIRD REPORT OF STANDING COMMITTEE— RESEARCH STAFF

Mr. A. D. Hales (Wellington) moved that the third report of the Standing Committee on Public Accounts, presented to the house on Thursday, April 17, 1969, be concurred in.

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

Mr. David Lewis (York South): Mr. Speaker, I rise in support of the motion, without qualification, merely to ask whether this does not present parliament, and particularly the Committee on Procedure, which has among its membership the President of the Privy Council (Mr. Macdonald), the government house leader, with an opportunity to take a careful look at the staff which is being made available to all parliamentary committees.

If I am interpreting things correctly, then obviously the Public Accounts Committee found unsatisfactory the evidence which it was able to obtain from other sources, and has now decided it needs witnesses of its choosing in order to get all the information in a proper way. I think this is true of all committees. My remarks are not directed at any particular minister or any particular side of the house. I rise merely to underline my disappointment as a member of parliament that we have not made a great deal more progress on the idea of providing all parliamentary committees with the research, investigatory and other staff necessary to make the committees much more adequate and productive than they can be under present circumstances.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, in response to the hon. member for York South (Mr. Lewis) I would point out that the Procedure Committee, as his colleague the hon. member for Winnipeg North Centre (Mr. Knowles) will readily admit, agreed to determine its own order of priorities in proceeding with the various references before it, and the committee did not choose to put this question at the head of its agenda.

I believe I can speak on behalf of all members of that committee in saying we will be proceeding with the question of research assistance, among other matters; but it was felt by members of the committee that there was a pressing priority for the question of accommodation, and the reporting and transcription facilities of committees as a first order of priority, and it is with these that the committee has been dealing.

Motion agreed to.

Questions

NATIONAL DEFENCE

NATO—SUGGESTED PHASED REDUCTION IN CANADIAN PARTICIPATION

On the order: Government notices of motion:

April 17—The Prime Minister—The following proposed motion:—That this house supports the government's policy of continued Canadian participation in the North Atlantic Treaty Organization and the intention of the government, in consultation with Canada's allies, to take early steps to bring about a planned and phased reduction of the size of Canadian Forces in Europe.

Mr. Speaker: Pursuant to section 2 of Standing Order 21 this government notice of motion is transferred to and ordered for consideration under government orders at the next sitting of the house.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

PUBLIC SERVICE REJECTIONS FOR LINGUISTIC REASONS

Question No. 1,310—**Mr. Coates:**

1. How many Canadian citizens have been informed they were not eligible to enter competitions for positions with the Public Service Commission because they were unilingual since April 8, 1963?

2. Of the number disqualified from competitions who submitted applications, because they were unilingual, how many were French speaking and how many were English speaking?

3. Of the number disqualified from entering competitions, how many were employees of the Public Service of Canada and how many were endeavouring to secure employment with the Public Service of Canada?

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: 1. The information requested is not available from the records of the Public Service Commission.

2. See 1 above.

3. See 1 above.

CORPORAL PUNISHMENT IN N.W.T. AND YUKON SCHOOLS

Question No. 1,443—**Mr. Orlikow:**

1. Is corporal punishment of pupils permitted in the schools in the Northwest Territories and the Yukon?

[Mr. Macdonald (Rosedale).]

2. If so, is the policy formulated by any federal department or is it decided on in each school?

3. What type of corporal punishment is permitted —a strap, ruler, or what other form?

4. Who administers the corporal punishment—the teacher or the principal?

5. Are records kept as to the number of times corporal punishment is administered?

6. Have complaints been received, by the department regarding excessive use of corporal punishment, from parents or teachers and, if so, what action was taken by the department to investigate or correct the situation?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. In both the Yukon Territory and Northwest Territories, limited corporal punishment is permitted.

2. This department does not formulate corporal punishment policy in the Yukon. Rather, the territorial government, in conjunction with the school administrators, set the policy. In the Northwest Territories policy is formulated in accordance with the N.W.T. School Ordinance and Regulations, in consultation with the school principals.

3. A correction strap is permitted.

4. In the Yukon, corporal punishment may be administered by either the principal or teacher, but only in the presence of the principal and with his permission. In the Northwest Territories, either the principal or the teacher may administer the punishment.

5. There is a laid down policy for recording corporal punishment in the Mackenzie District. Although there is no over-all requirement for records to be kept in either the Arctic district or the Yukon, individual schools do maintain such records.

6. No complaints have been received by the Department with regard to the Yukon. In the Mackenzie District two complaints have been received in the past seven years; both complaints were investigated, and in each case the teacher involved in the incident received a reprimand. In the Arctic District one complaint was received from a teacher regarding another teacher who allegedly struck children in the classroom. This complaint was investigated by the District Superintendent of Schools, the Regional Superintendent of Schools, and by a representative of the Northwest Territories Teachers' Association; however, the allegations were not adequately substantiated.

ORIENTATION COURSE FOR N.W.T. AND YUKON TEACHERS

Question No. 1,447—**Mr. Orlikow:**

1. Is there an orientation course for teachers going to teach in the Yukon or Northwest Territories?

2. If so, how long does this course last?

3. Who were the teachers at last year's orientation course and what were their qualifications and training for the course?

4. What courses were offered at the orientation course?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Yes.

2. A three-day institute for new teachers is held in the Yukon Territory each year prior to school opening. Orientation courses lasting from one to two weeks are also held for teachers newly appointed to schools in the Arctic and Mackenzie Districts of the Northwest Territories.

3. The instructors at last year's Yukon orientation course were: Dr. E. Cutler, Kindergarten and Elementary School Methods Specialist, University of Alberta; Professor A. Renaud, Specialist in Anthropology, University of Saskatchewan; Professor E. Moore, Department of Curriculum and Instruction, Faculty of Education, University of Calgary; Miss M. Morris, Language Arts Specialist, Department of Indian Affairs and Northern Development; Dr. S. Morris, Associate Professor, Faculty of Education, University of Calgary; A. E. Johnson, Supervisor of Elementary Instruction, Fernie, B.C.; Mr. K. Clark, Specialist in Elementary Education, Cassiar, B.C.

The following instructors participated in orientation courses held for teachers newly appointed to the Northwest Territories: Professor A. V. Parminter, Assistant Professor, Faculty of Education, University of British Columbia; Professor D. Stevenson, Lecturer in Anthropology and Sociology, University of Victoria; Professor L. Marckworth, Department of General Linguistics, University of Alberta; Dr. W. F. Mackey, Linguistics Specialist, Laval University; Dr. Verdoort, Linguistics Specialist, Laval University.

These groups of lecturers were augmented by school superintendents, teacher consultants, curriculum specialists and other employees of the Territorial and Federal Governments.

4. Courses for Yukon teachers were allocated according to kindergarten, primary, intermediate and secondary sectionals providing instruction on teaching methods. In addition all teachers attended lectures and discussions on understanding the native child and his culture. Courses offered at the Northwest Territories orientation programs included workshops in teaching English as a second language; problems of cross-cultural value orientations; elementary and secondary school teaching methods; the role of the teacher in the north, and cultural inclusion.

CURRICULUM DEPARTMENT IN INDIAN AFFAIRS SCHOOLS DIVISION

Question No. 1,449—**Mr. Orlikow:**

1. Is there a Curriculum Department in the school division of the Department of Indian Affairs and Northern Development?

2. If so, how many people are employed in the Department, what are their qualifications and how long have they been with the Department?

3. How many books for use in the North have been devised since the Department was established?

4. What liaison is there between the Department and the teachers in the field who are in close touch with the actual learning problems of Indian and Eskimo students?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. There is at present a residual component of the Curriculum Section of the former Northern education service, Ottawa headquarters, which now includes a Head and four specialists.

2. Qualifications and experience of these persons are as follows:

Position	Qualifications	Tenure with Department
Head	B. Ed., B.A., M.Ed., M.A. plus former teacher, principal, superintendent	2½ years
Specialist	B. Ed., M.A., plus former teacher, principal, superintendent	11 years
Specialist	B.A. plus former teacher, principal, superintendent	9½ years
Specialist	B.A., B.L.S. former teacher, principal	7½ years
Specialist	co. 4 year training, former teacher, supervisor	12½ years

3. The Curriculum Section was started in 1956 with a staff of two. Eventually publication became one of its ten main functions.

4. This service has involved the printing and distribution departmentally of reports and experimental courses and materials—all intended for northern use. Printed materials to date number 67 titles.

5. Curriculum development has been combined with teaching staff development. Individual teachers and teacher committees have been involved in materials preparation, use, appraisal, and revision. Contacts between curriculum specialists and teaching staff have been maintained through community visits, workshops, conferences, bulletins, and direct correspondence.

INVESTIGATION OF INCIDENTS AND DISTURBANCES

Question No. 1,585—**Mr. Robinson:**

1. How many incidents and/or disturbances have been investigated by the federal government during each of the years 1960-68 inclusive?

2. How many bombing and/or blasts of buildings, armories, mail boxes and others have taken place in Canada during each of the years 1960-68 inclusive (a) where did each bombing and/or blast take place (b) how much damage was caused in each incident (c) how many people were either killed or injured as a result of each incident?

3. Does the federal government have a special force or detachment to deal with the bombing and/or blast problems and, if not, will the government consider setting up such a special detachment or force?

Hon. G. J. McIlraith (Solicitor General): In so far as it relates to the Department of the Solicitor General, is as follows: 1. 1960/61, 375,358; 1961/62, 398,897; 1962/63, 439,712; 1963/64, 563,766; 1964/65, 658,188; 1965/66, 671,342; 1966/67, 714,795; 1967/68, 798,582; 1968 (Apr. 1st to Dec. 31 only), 19,417.

2. As this is a matter which falls within provincial jurisdiction, the Department of the Solicitor General has a record only, of those incidents which occurred in provinces, wherein, the R.C.M. Police are under contract to provide policing services.

3. The Department of the Solicitor General has no special force or detachment to deal with the bombing and/or blast problems.

SUPPLY AND SERVICES DEPUTY MINISTERS

Question No. 1,609—**Mr. Fortin:**

1. (a) How many Deputy Ministers are there in the Department of Defence Production (Supply and Services) (b) what are their names (c) what is the mother tongue of each of them?

2. (a) How many Assistant Deputy Ministers are there in the Department of Defence Production (b) what are their names (c) what is the mother tongue of each of them?

3 (a) Did the Queen's Printer have the rank of Deputy Minister while in the Department of Defence Production (b) was he relieved of his duties and, if so, by whom, and for what reasons?

4. (a) How many French speaking senior officials in the Department of Defence Production are in the salary bracket of $23,000 or more (b) what are their names?

5. What is the total staff strength of the Department of Defence Production as of this date?

[*Translation*]

Hon. Donald C. Jamieson (Minister of Defence Production): 1. (a) One; (b) G. W. Hunter; (c) English.

2. (a) Three; (b) J. S. Glassford, R. M. Keith, W. H. Huck; (c) English.

3. (a) As of the date of the question the Queen's Printer had the rank of Deputy Minister in the Department of Public Printing and Stationery. He has since been appointed as Special Adviser to the Minister of Supply and Services; (b) In accordance with the recommendations of the Task Force Report (T.B. Minute 685-054 of December 12, 1968), the functions of the Department of Public Printing and Stationery were integrated into the Department of Defence Production.

4. (a) None; (b) Not applicable.

5. 4,480.

[*English*]

CONTRIBUTIONS TO MALISEET RESERVE

Question No. 1,610—**Mr. Corbin:**

1. During the first nine months of the current fiscal year, what amounts did the Department of Indian Affairs and Northern Development contribute to the physical improvement program under (a) home construction (b) highways (c) electricity, water and sewage facilities on the Maliseet Reserve and the Edmundston (Iroquois) Reserve in New Brunswick?

2. What were the corresponding figures for 1967-68 and 1966-67?

3. What total amounts were contributed to all Indian Reserves in New Brunswick for each of the above-mentioned facilities and during each of the above-mentioned periods?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1 and 2.

April 1 to December 31, 1968	Maliseet Reserve (Tobique) $	Edmundston Reserve $
(a)	42,597	8,524
(b)	238	
(c)	362	
1967-68		
(a)	77,108	17,314
(b)	935	
(c)	243	
1966-67		
(a)	27,035	1,200
(b)	8,820	
(c)	5,159	

3.

	April 1 to December 31, 1968 $	1967-68 $	1966-67 $
(a)	309,827	418,822	439,101
(b)	3,705	81,889	34,996
(c)	64,998	133,296	93,644
Total	378,530	634,007	567,741

COMPANY OF YOUNG CANADIANS EMPLOYEES

Question No. 1,620—**Mr. Yewchuk:**

1. (a) How many people are employed with the Company of Young Canadians at the present time (b) how many in each province?

2. What are their salaries?

3. What has been the extent of their expense accounts?

4 (a) What are the terms of reference under which members of the CYC work (b) have the terms of reference been changed within the past year?

Hon. Gérard Pelletier (Secretary of State): I am informed by the Company of Young Canadians as follows: 1. (a) As of March 15th, 1969, there were 55 persons employed with the Company of Young Canadians including executive, project and secretarial staff. (b) British Columbia, five; Northwest Territories, one; Alberta, one; Ontario, 36 (includes National Office); Quebec, 11; Nova Scotia, one.

2. One, $19,000; six, $10,001-$15,000; 12, $7,501-$10,000; 21, $5,001-$7,500; 15, up to $5,000,

3. The Company of Young Canadians will reimburse staff members participating in Company programs for transportation, food, accommodation and other expenses incurred by them in carrying out assignments and work with and for the benefit of the Company of Young Canadians as described in a transportation and travel policy adopted by the Council of the Company. When off-project travelling is required, written approval from the Executive Director is necessary before the trip can be taken and expenses reimbursed.

4. The terms of reference under which members of the staff of the Company of Young Canadians have always worked are those set out in the Company of Young Canadians Act and the policies established by the Council of the Company in accordance with the provisions of this legislation and implemented by the Executive Director.

VILLEBOIS—JAMES BAY RAILWAY

Question No. 1,656—**Mr. Fortin:**

1. Does the government intend to construct a railway linking Villebois with James Bay?

2. Does the government intend to establish a national park on the Quebec shore of James Bay, to be known as the "Pierre Lemoyne d'Iberville Park"?

3. Has the government received a request from the Order of the Conquerors of the North, and what was the purport of such request?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Transport and the Department of Indian Affairs and Northern Development as follows: 1, 2, and 3. No.

BILINGUAL DESIGNATION OF GOVERNMENT CORPORATIONS

Question No. 1,669—**Mr. Caouette:**

1. Which government corporations and agencies do not yet have a bilingual designation?

2. Which ones were given a bilingual designation during the past three years?

3. Does the government intend to provide French designations for corporations presently designated only in English and, if so, on what date?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. None.

2. The Company of Young Canadians, National Arts Centre Corporation, National Museums of Canada, Canadian Film Development Corporation, Canadian Radio-Television Commission, The Northern Transportation Company Limited, Cape Breton Development Corporation, Fisheries Prices

Support Board, Eldorado Nuclear Limited, Eldorado Aviation Limited, Canada Deposit Insurance Corporation.

3. Not applicable.

INVESTIGATION BY R.C.M.P. OF QUEBEC BOMBINGS

Question No. 1,719—**Mr. Robinson:**

1. Has the RCMP investigated the numerous bombings and/or explosions that have taken place in Quebec and, if so, how many individuals have been (a) apprehended (b) convicted of an offense and, if not, for what reason and when will investigations take place and when will they be completed?

2. Has the RCMP investigated the student unrest and/or riots that have and are occurring on many university campuses of Canada and, if so, what are the results of such investigations and, if not, for what reason?

Hon. G. J. McIlraith (Solicitor General): 1. Yes. The responsibility, however, lies with the city and provincial peace officers. The responsibility in this area primarily comes under the provincial authority in the first instance.

2. The R.C.M. Police have co-operated in investigating this type of matter. It has always been regarded as not in the public's interest to divulge information respecting Police operations in the investigational field. This has consistently been the practice of all recent governments.

MOUNT GABRIEL LODGE MEETING

Question No. 1,724—**Mr. Broadbent:**

1. Was a meeting held at Mount Gabriel Lodge in June 1968 between Treasury Board officials, Deputy Ministers of government departments and Heads of Crown Corporations and Agencies?

2. What was the purpose of the above meeting?

3. Was there discussion regarding the question of federal government guide-lines for salaries and wages in collective bargaining agreements?

4. If so, what guide-lines were established and on what basis?

5. Are there any federal government guide-lines regarding collective bargaining agreements and, if so, what are they?

Hon. C. M. Drury (President of the Treasury Board): 1. Yes, but representatives from corporations and agencies were at the senior personnel official level.

2. To exchange information on developments and trends in the general field of personnel administration.

3. No.

[Mr. Forest.]

4. N/A.

5. There are no general guidelines established by the Government for Public Service collective bargaining negotiations. Bargaining positions are determined on an individual basis to meet the requirements of the separate Public Service bargaining units. In the view of the Government, it is not in the public interest or in the interest of effective collective bargaining to disclose these positions.

PACIFIC 66 FUEL STATIONS

Question No. 1,741—**Mr. Rose:**

1. Has any directive been issued to the RCMP in British Columbia to patronize only Phillips 66 stations for fuel purchases for police vehicles?

2. If so, was this directive motivated by the acceptance by the RCMP of a low bid granted from an open tender available to all oil companies?

3. What method is generally followed in the fuel and servicing practices of RCMP vehicles in British Columbia?

Hon. G. J. McIlraith (Solicitor General): 1. No. However, instructions were issued that in order to effect a saving of public funds, the R.C.M. Police Detachments having access to Pacific Petroleum outlets should patronize them in view of the substantial discounts offered by that company.

2. No.

3. Fuel: Whenever possible, fuel is purchased from outlets offering the highest discounts, in order to conserve public funds. Servicing: R.C.M. Police vehicles, where possible, are serviced by the dealer from whom the vehicles were originally purchased. If this is not practicable, vehicles are serviced by other authorized dealers of the automobile manufacturing company concerned.

ROGER DUHAMEL

Question No. 1,748—**Mr. Diefenbaker:**

1. Is Roger Duhamel the Queen's Printer as of this date?

2. If not, was he removed from the position?

3. If he was removed from the position, when and under what authority was such action taken?

4. What position in the government service does he now occupy?

Hon. Donald C. Jamieson (Minister of Supply and Services): 1. Yes, as of March 13th, 1969.

2. Not applicable.

3. Not applicable.

4. Special Adviser to the Minister of Supply and Services, as of April 1, 1969.

INDIANS ON AND OFF RESERVATIONS

Question No. 1,758—**Mr. Robinson:**

1. How many Indians in Canada reside (a) on reservations (b) off reservations?

2. How many adult Indians (a) on reservations are gainfully employed (b) off reservations are gainfully employed?

3. How many Indians (a) male (b) female, are attending (i) high school (ii) university?

4. How many Indians of Canada are university graduates?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. (a) and (b): Total population residence, (as at December 31, 1968): On, 161,695; Off, 54,220; Crown Land, 21,562; Unstated, 13.

2. This information is not available.

3. (a) and (b): There are 7,021 Indians attending high school in Canada, including the Northwest Territories and the Yukon, for whom the Department pays the tuition fees or otherwise accepts responsibility. We do not have a breakdown according to sex for high school students. There are 189 Indian students attending university of which 123 are male and 66 female. This does not include 46 students who enrolled in university sessions during the summer of 1968. In addition, there are 38 Indian students attending professional courses in teacher training institutions and 20 taking training in nursing. It should be noted that these figures do not include off-reserve Indians or any Indians for whom the Department has not provided some form of financial assistance.

4. The Department does not have any information available as to the number of Indians of Canada who are university graduates.

EXTRA ALLOWANCES FOR REMOTE AREAS SERVICE

Question No. 1,765—**Mr. Orlikow:**

1. In what communities in Canada are extra allowances paid to government officials because they are located in remote areas of Canada?

2. What form of classification do these allowances take?

3. What is the amount allowed in each community for each classification?

Hon. C. M. Drury (President of the Treasury Board): 1. Extra allowances are payable to government employees at 366 remote communities in Canada under the Isolated Posts Regulations.

2. Isolation allowances are paid at all the communities and, in some cases, food allowances, supplementary allowances and fuel and utilities allowances are also paid.

3. The allowances are payable as indicated in the following tables:

RATES OF ISOLATION ALLOWANCE

Classification of Post for Isolation Allowance	Rate of Allowance			
	Classified Employee		Hourly Rate	
	Married	Single	Married	Single
	$	$	$	$
1. 21 locations	2100 a year	1200 a year	1.00 an hour	.57 an hour
2. 25 "	1800 a year	1080 a year	.86 an hour	.52 an hour
3. 61 "	1500 a year	900 a year	.72 an hour	.43 an hour
4. 157 "	1140 a year	720 a year	.55 an hour	.34 an hour
5. 48 "	780 a year	480 a year	.37 an hour	.23 an hour
6. 54 "	420 a year	240 a year	.20 an hour	.12 an hour

RATES OF FOOD ALLOWANCE

1. 3 locations	920 a year	552 a year	.44 an hour	.26 an hour
2. 1 "	800 a year	480 a year	.38 an hour	.23 an hour
3. 4 "	680 a year	408 a year	.33 an hour	.20 an hour
4. 8 "	560 a year	336 a year	.27 an hour	.16 an hour
5. 15 "	440 a year	264 a year	.21 an hour	.13 an hour
6. 66 "	320 a year	192 a year	.15 an hour	.09 an hour
7. 19 "	200 a year	120 a year	.10 an hour	.06 an hour

RATES OF SUPPLEMENTARY ALLOWANCE

Classification of Post for Supplementary Allowance	Rate of Allowance			
	Classified Employee		Hourly Rate	
	Married	Single	Married	Single
	$	$	$	$
1. 1 location	440 a year	264 a year	.21 an hour	.12 an hour
2. 5 locations	360 a year	216 a year	.17 an hour	.10 an hour
3. 5 "	280 a year	168 a year	.13 an hour	.08 an hour
4. 1 "	200 a year	120 a year	.09 an hour	.05 an hour

RATES OF FUEL AND UTILITIES ALLOWANCE

1. 3 locations	550 a year	330 a year	.26 an hour	.16 an hour
2. 1 "	450 a year	270 a year	.21 an hour	.13 an hour
3. 6 "	350 a year	210 a year	.17 an hour	.10 an hour
4. 3 "	250 a year	150 a year	.12 an hour	.07 an hour
5. 5 "	150 a year	90 a year	.07 an hour	.04 an hour
6. 5 "	50 a year	30 a year	.02 an hour	.01 an hour

PAYMENTS TO AIR CANADA FOR POSTAL SERVICE

Question No. 1,781—**Mr. Rose:**

1. What was the amount of money paid to Air Canada by the postal service of Canada in 1966, 1967, 1968?

2. How many permanent employees in 1969 are on the inside staffs of the following major post offices: Vancouver, Toronto, Ottawa, Montreal, Winnipeg and Halifax?

3. How many temporary postal helpers in 1969 are employed by the above post offices at $1.75 per hour?

4. How many part-time postal clerks in 1969 are employed by the above post offices at $2.25 per hour?

5. What was the total permanent inside staff in each of the above post offices at December 31, 1968?

Hon. Eric W. Kierans (Minister of Communications): In so far as the Post Office Department is concerned:

1. 1966, $13,098,938; 1967, $14,009,671; 1968, $14,378,692.

	2. Permanent Employees 1969	3. Part-Time Postal Helpers	4. Part-time Postal Clerks	5. Permanent Employees December 31, 1968
Vancouver	1,019	1	114	No significant difference from
Toronto	2,847	357	495	Question 2. Departmental
Ottawa	673	12	39	policy is to hold inside vacan-
Montreal	3,425	645	287	cies for employees displaced
Winnipeg	808	7	13	in the outside operation by
Halifax	252	1	27	the introduction of the five-
				day delivery week

Note: Question No. 3 cannot be answered as asked in respect of casual employees as the number of casual employees fluctuates from day to day and records are kept only for the number of hours used and reported at the end of each month.

Man hours worked by casuals for the fiscal year 1968-69 will not be available for approximately one month, however, for the fiscal year 1967-68 casuals were employed for a total of 4,226,286 hours which is equivalent to 2,031.8 man years.

No record is maintained of hours worked by casuals at any one particular pay rate. Casuals are paid at varying rates depending upon the type of work performed, for example: Casual Postal Helpers earn $1.75 per hour; Casual Letter Carriers earn $2.28 per hour; Casual Mail Handlers earn $2.07 per hour; Casual Mail Service Couriers earn $2.28 per hour.

[Mr. Drury.]

TREASURY BOARD STUDY OF INFORMATION SERVICES

Question No. 1,804—**Mr. Reid:**

1. Is the Treasury Board, or any agency thereof, involved in a study of Government Information Services and, if so, when did this study begin?

2. What are the terms of reference of this study group and from what authority did this study group draw its terms of reference?

3. What is the official title of this study group, and what is the name of the director of this study group, and what are his qualifications for this position?

4. What is the official title and position of Mr. B. M. Erb and what are his qualifications for this position, and what position did he hold before taking up his present responsibilities?

5. In what way does this Treasury Board study group complement the Government's Task Force on Government Information?

6. In what way does this Treasury Board study group conflict with the Government's Task Force on Government Information?

7. Were the members of the Task Force on Government Information consulted on the appointment of the Treasury Board study group, and, if not, for what reason?

8. Are the members of the Treasury Board study group and the Government Task Force on Government Information in consultation with one another, and, if not, for what reason?

Hon. C. M. Drury (President of the Treasury Board): 1. No.

2. N/A.

3. N/A.

4. Mr. B. M. Erb is Director of the Communications Division, Treasury Board. A former newspaperman, Mr. Erb has been a federal government information officer for more than 21 years. He was formerly Assistant Director of Information for the Department of National Health and Welfare, Director of Public Relations for the Post Office Department, Director of Information for the Department of Citizenship and Immigration and, prior to his present position, Director of Information for the Department of Manpower and Immigration.

5. N/A.

6. N/A.

7. N/A.

8. N/A.

ARDA PROJECT 22024

Question No. 1,812—**Mr. Corbin:**

1. To whom were the salaries in ARDA Project 22024 paid as stated at page 6682 of *Hansard*, March 17, 1969?

2. What were the terms of the certification given by the Auditor General of the Province of Nova Scotia?

3. Has either the provincial Auditor General or any officer of the provincial government raised with the Department of Forestry and Rural Development any question as to the validity of the accounts for ARDA Project 22024?

4. Has the government examined the comments made by the provincial Auditor General on those accounts in his annual report tabled in the Legislative Assembly of Nova Scotia?

5. How many ARDA projects were in progress in Nova Scotia in 1968-69?

6. Are the accounts for these other ARDA projects certified by the provincial Auditor General?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. M. E. Jamerson, Project Manager; George Kalin, Assistant to Project Manager; Donald Sproule, Accountant.

2. "I have carried out an audit of the claim identified above. I have examined the methods and data used to determine the shareable costs for compliance with the requirements of the "General Agreement" made with the province pursuant to the Agricultural Rehabilitation and Development Act, and the "Project Agreement" relative to this particular project. I also conducted such tests of the accounting records and other supporting evidence as I considered necessary in the circumstances.

"In my opinion, the shareable cost has been determined in accordance with the provisions of the "General Agreement" and the "Project Agreement" and all applicable credits or refunds have been taken into account. If any further credits or refunds are received, I undertake to notify the responsible Federal Minister."

3. No.

4. Assurance has been received from the Auditor General of the province that payments by the federal government on this project relate only to the objectives outlined in the original proposal.

5. Thirty-eight share-cost ARDA projects.

6. Yes.

ROD SERVICES CONTRACT

Question No. 1,822—**Mr. Orlikow:**

1. Did the Post Office recently cancel or terminate a contract for services with Rod Services of Montreal and, if so, when was this done?

Questions

2. Did the contract contain a clause which permitted unilateral termination by either party and, if not, which party took the initiative in terminating the contract?

3. Was any consideration given to Rod Services for their agreement to accept the termination of the contract, if so (a) did this involve equipment such as trucks and other vehicles and what was the sum of the payment for these vehicles (b) is it the intention of the Post Office to use these vehicles?

4. Before the contract was terminated, did the Post Office Department get an evaluation of the equipment and obtain the depreciation records for the equipment and, if not, for what reason?

5. Has any approval been given by Treasury Board to a termination payment to Rod Services and, if so, is it a lump sum or does it cover a portion for the agreement to terminate and another portion for the equipment owned by Rod Services?

6. Has any arrangement been discussed with Rod Services under which the employees of Rod Services who are no longer required to work on Post Office tasks could receive compensation in the form of severance pay or any other method?

Hon. Eric W. Kierans (Minister of Communications) In so far as the Post Office Department is concerned; 1. Yes, on the 15 March 1969.

2. No. The Postmaster General and the Company agreed and were willing to terminate the said contracts with both parties waiving, abandoning and relinquishing in that respect any rights or entitlements to any notice that may be required to be given under the said contracts.

3. Yes. (a) The Department purchased the vehicles for a total sum of $331,465.00; (b) It was the intention if no alternate methods could be found.

4. Yes. Vehicles were evaluated by competent appraisers hired by the Department.

5. No.

6. No. Under terms of their labour agreement with Rod Services they are entitled to one week's notice or one week's pay in lieu of notice.

PERSONNEL ADMINISTERING INDIAN AFFAIRS

Question No. 1,849—**Mr. Mazankowski:**

1. What was the total number of people within the Department of Indian Affairs and Northern Development, or its predecessor, who were directly concerned with the administration of Indian Affairs and services in the years 1965, 1966, 1967, 1968 and 1969?

2. What was the number of Indian people in Canada during the same years who were the concern of these departmental employees?

[Mr. Orlikow.]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Total number of employees of Indian Affairs.

	Teachers	Other Staff
March 1965	1479	1071
March 1966	1487	1273
March 1967	1537	1363
March 1968	1617	1558
March 1969	1570	1523

2. Indian population: December 1964, 211,384; December 1965, 218,098; December 1966, 224,164; December 1967, 230,902; December 1968, 237,490.

GRAIN STORAGE FACILITIES IN ALBERTA

Question No. 1,851—**Mr. Mazankowski:**

Has the federal government given consideration to the establishment of substantial grain storage facilities in the Province of Alberta and, if so, (a) under what terms and conditions will such construction be undertaken, (b) when is construction expected to start, and (c) where in Alberta will such facilities be located?

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

R.C.M.P. MOTOR FLEET AND HORSES MAINTENANCE

Question No. 1,897—**Mr. Robinson:**

1. How many motor vehicles are operated by the RCMP and what is the cost of the motor vehicle fleet maintenance in each of the years 1960-68 inclusive?

2. How many horses are maintained by the RCMP and where are they located and what was the cost of maintenance for each of the years 1960-68 inclusive?

3. What was the total value of (a) horses (b) saddles and riding equipment (c) barns, utilized by the RCMP?

Hon. G. J. McIlraith (Solicitor General): 1. 2,709 vehicles as of March 31, 1969. Cost:

Year	Actual	Per Mile
1960-61	$1,996,330	4.9¢
1961-62	2,042,135	4.7¢
1962-63	2,003,995	4.62¢
1963-64	2,099,888	4.51¢
1964-65	2,429,404	4.87¢
1965-66	2,571,981	4.76¢
1966-67	2,840,719	4.73¢
1967-68	3,397,460	5.03¢

2. 134 horses as of March 31, 1969. 81 at "N" Division, Rockcliffe, Ontario; 53 at Pakenham Ranch, Ontario. Cost: 1960-61, $35,299.35; 1961-62, $43,890.57; 1962-63, $38,892,91; 1963-64, $31,726.82; 1964-65, $30,484.78; 1965-66, $42,608.20; 1966-67, $27,242.75; 1967-68, $31,256.41.

3. (a) approximately $134,000; (b) approximately $37,020; (c) $120,000. (1939 building cost).

SOUTH AFRICAN AND RHODESIAN DEFENCE PERSONNEL

Question No. 1,900—**Mr. Broadbent:**

1. Are any members of the Canadian Defence Forces citizens of either the Union of South Africa or Rhodesia?

2. If so, where are they stationed now and where were they stationed in June of 1968?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. and 2. Basic enrolment standards for direct entry commissioned officers and men indicate applicant must be a Canadian citizen. However, a citizen of another country with landed immigrant status may be considered for enrolment if in the opinion of CFHQ the national interest would not be prejudiced. To ascertain which, if any, of the members of the Canadian Forces were citizens of either the Union of South Africa or Rhodesia would entail the examination of the files of all members of the Canadian Forces. The necessary staff is not available to undertake the large amount of work which would be required to gather this information.

RELEASE OF PILOTS

Question No. 1,921—**Mr. Robinson:**

1. Of the 2,295 pilots released from the service during the years 1960-68 inclusive, how many were released for (a) medical reasons (b) reduction in establishment (c) normal retirement policy (d) own request?

2. Of those released under 1(a), what was the average number of years service as a pilot?

3. Of those released under 1(d), what was the average number of years service as a pilot and what was the cost of training them?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1, 2 and 3. This information is not readily available and cannot be provided without the identification of each individual involved, the drawing from War Service Records of the confidential personal files and the examination of these files to obtain the information, some of which will require considerable searching and interpretation. The necessary expert staff is not available to undertake the large amount of work which would be required to gather this information.

AIR CREW ALLOWANCE TO PILOTS

Question No. 1,922—**Mr. Robinson:**

1. What is the total amount of air crew allowance paid to pilots in the Canadian Forces?

2. How many members of the Canadian Forces received such allowance and what is the number in each rank receiving this allowance?

3. Do any other members of the Canadian Forces receive special payments or allowances apart from the normal pay allotment and, if so, how are they designated, who are the recipients, how much do they receive and what is the total cost to the federal Government?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. Pilots of the Regular Forces receive rates of pay in accordance with QR & O article 204.215. As of December 1, 1968, the total monthly amount paid was $2,967,261.00.

2. As of December 1, 1968:

Rank	Number
Lieutenant	384
Captain	1474
Major	584
Lieutenant-Colonel	208
Colonel	86

3. Yes, attention is directed to Chapters 204 and 205 of QR & O. The amount of work which would be required to provide an accurate answer to this question is excessive, and the necessary expert staff is not available to gather the information.

REFUNDS TO TENANTS AS TAXABLE INCOME

Question No. 1,940—**Mr. Knowles (Winnipeg North Centre):**

Are refunds made by property owners or landlords to tenants in the Province of Ontario, as provided by legislation of that province, regarded as taxable income in the hands of the said tenants, under the Income Tax Act?

Hon. Jean-Pierre Côté (Minister of National Revenue): No, except where the tenant is using the leased property for the purpose of earning income.

Inquiries of the Ministry

QUESTION PASSED ON ORDER FOR RETURN

SUBSIDY PAYMENTS TO FARMERS

Question No. 926—**Mr. Douglas (Assiniboia):** (Supplementary)

1. In each of the latest ten years for which figures are available, how much was paid to farmers in subsidies and other forms of assistance by the federal government (a) in Canada, and (b) by provinces?

2. What was the gross income of farmers for those same ten years (a) in Canada, and (b) by provinces?

3. What was the total number of farmers for those same ten years (a) in Canada, and (b) by provinces?

Return tabled.

ORAL QUESTION PERIOD

AIR CANADA

STRIKE OF MECHANICS—APPOINTMENT OF CONCILIATION OFFICERS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of Labour. We welcome him back from his well earned holiday and only regret that the apparent inability of his 26 colleagues and various assorted parliamentary secretaries to deal with problems made it necessary for him to return. I should like to ask the minister if he has anything to report on the situation with regard to the Air Canada strike and whether the government or the minister have done anything to bring these parties together. If so, what progress has been made and what steps have been taken to have the service restored and negotiations continued.

Hon. Bryce S. Mackasey (Minister of Labour): Mr. Speaker, I returned home two days early because somebody sent me two box seats to the Montreal Expos baseball game on Sunday. They were very scarce, in view of the great team we have.

On the week end I took advantage of the occasion to contact the negotiating teams of Air Canada and of the International Association of Machinists to see whether any progress might be made should the two negotiating teams resume negotiating. I am pleased to say that at my request they resumed negotiations last night at midnight and were still negotiating at eleven o'clock this morning. At that time they were due to take a coffee break and if they have not resolved their difficulties they will continue to negotiate tonight at ten o'clock, or at the latest tomorrow morning at ten o'clock.

Mr. David Lewis (York South): Mr. Speaker, may I ask the Minister of Labour whether he has given consideration to the desirability of bringing a mediator into the picture at this stage. I appreciate the delicacy of this kind of situation; but in view of the time that has passed, because they have been negotiating since last November, I wonder whether it would be desirable to bring in a really effective mediator now.

Mr. Mackasey: I have done a little better than that. I have brought in two mediators, Mr. Kelly and Mr. Wilson of the Department of Labour conciliation branch. They are with the parties, and have been since last night at midnight.

EXTERNAL AFFAIRS

NATO—STATUS OF GREECE WITHIN ALLIANCE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. Has his attention been drawn to a statement made in Toronto this week end by Dr. Papandreou, the former Greek minister of state, in which he said there was a direct line of responsibility for the Greek coup in the NATO command and the United States defence department? I should like to ask the minister whether the NATO council of ministers have discussed the question of whether or not the present administration in Greece should be permitted to continue to be a member of NATO in view of the fact that it is violating the commitment contained in the NATO agreement that all member states shall strengthen their democratic institutions.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, each member state of NATO is of course an independent government and runs its own affairs. But as the hon. gentleman has said the North Atlantic Treaty Organization itself places special emphasis on the determination of members to safeguard "the principles of democracy, individual liberty and the rule of law". This is an obligation made upon each of the member countries. There has been no decision, of course, of the members of NATO, to dissolve the treaty in respect of Greece, but it is the desire of all within the NATO alliance, and certainly the desire of Canadians, to see

democratic institutions re-established in Greece.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask the minister whether at the NATO meeting in Washington he or any other member of the Canadian delegation raised the matter of the right of the present military junta in Greece to continue to sit on the council of NATO?

Mr. Sharp: No, Mr. Speaker. The representative of the Greek government at the NATO council said that they were proposing to take certain steps in the direction of democracy. There was no other discussion.

NATO—MEETINGS SUGGESTED BY WARSAW PACT TO EFFECT DETENTE

Mr. Ed Schreyer (Selkirk): Mr. Speaker, in view of the fact the NATO council has decided not to accept the objective of the Warsaw Pact to hold direct meetings in an effort to achieve detente in Europe, is the minister in a position to say whether Canada was in general accord with the NATO council's decision to seek alternative means of pursuing detente?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the decision of the NATO powers at the meeting in Washington was not as negative as my hon. friend suggests. It is very forward looking, and we are looking hopefully to the possibility of discussions on the future of Europe that we and others sought. There was some doubt however about the practicality or the effectiveness of holding an immediate conference. That is a quite different matter. On that point Canada agreed that there should be some hesitation, that the main purpose should be to promote detente, and that a conference at this time might not be the best way of achieving that purpose.

[*Translation*]

AIRPORTS

MONTREAL—CORRESPONDENCE BETWEEN PRIME MINISTER AND PREMIER OF QUEBEC

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to direct a question to the Prime Minister regarding the famous Sainte-Scholastique international airport.

Has the Prime Minister received a letter from the premier of Quebec, Mr. Jean-Jacques Bertrand requesting that a meeting be held, with a view to discussing the airport question, which is presently giving raise to a great deal of confusion in the province of Quebec, as the Prime Minister is certainly aware of.

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): I think, Mr. Speaker, that after a year's—

[*English*]

Mr. Baldwin: We thought it was ten years.

[*Translation*]

Mr. Trudeau: —experience, the Liberal caucus has learned that it is better to applaud me before I have answered than after.

In answer to the question proper, I can say there have been exchanges of views between the premier of Quebec, Mr. Bertrand, and myself, but prior to the final announcement concerning the site of the airport. Since then, there has not been, to my knowledge, any request made on his behalf to meet me, although there have been meetings between ministers of the federal and the provincial governments, in order to discuss further the matter of the airport.

The decision taken by the federal government following these meetings has been to confirm the choice already made.

[*English*]

CANADIAN NATIONAL RAILWAYS

SUGGESTION OF SABOTAGE IN DERAILMENT NEAR TORONTO

Mr. W. M. Howe (Wellington-Grey): Mr. Speaker, I have a question for the Minister of Transport but in view of its importance I should like to direct it to the Prime Minister. Has he received any report in connection with the derailment of a passenger train near Toronto yesterday, particularly in view of the suggestion there might have been sabotage involved in this accident?

Right Hon. P. E. Trudeau (Prime Minister): I have received no report from the Minister of Transport, Mr. Speaker. The department will be answering questions in the house tomorrow and I am sure that if this question is asked and the minister has an answer he will be willing to give it.

Inquiries of the Ministry

POST OFFICE DEPARTMENT

AIR CANADA STRIKE—DELIVERY OF FIRST CLASS MAIL

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I should like to ask the Postmaster General what means have been taken to transport the large volume of first class mail ordinarily carried by Air Canada in view of the strike now taking place?

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, we are using other airlines—the C.P.R. and chartering other aircraft.

Mr. Harkness: I should like to ask the minister how much delay in the delivery of mail is anticipated as a result of this situation?

Mr. Kierans: Mr. Speaker, we believe the delivery will be very satisfactory, although not as complete as it was with Air Canada because Air Canada has very many more routes. We intend to hire or charter as many more planes as necessary to fill the gaps.

[*Translation*]

DELAY IN MAIL DELIVERY

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to ask a question of the Minister of Communications.

At the present time we are using the facilities of other air transport companies for mail conveyance.

Last week, while in western Canada, I found that in two provinces among others, some letters mailed from the parliament buildings on April 2 had been delivered on April 17.

Is the minister aware that the postal service in the west is that unsatisfactory?

[*English*]

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, if the hon. member is ready to let me have the covers in question, I shall inquire. However, I can tell him that all those complaints are somewhat exaggerated.

A few days ago, an inquiry conducted in Edmonton by the Chamber of Commerce showed that over 90 per cent of the city's businessmen were quite satisfied with the postal service.

[Mr. Trudeau.]

[*Translation*]

Mr. Caouette: Mr. Speaker, I have a supplementary question for the Minister of Communications.

He has just said that 90 per cent of Edmonton businessmen are quite satisfied with the postal service, but is he aware of the fact that this does not even represent 5 per cent of the population of Alberta?

[*English*]

AIR CANADA STRIKE—MAIL SERVICE TO SYDNEY-STEPHENVILLE-GANDER AREA

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, in view of the fact that Nordair will be overflying intermediate points between Halifax and St. John's Newfoundland, will the minister tell the house of his department's plans to service the Sydney-Stephenville-Gander areas as a result of this strike?

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, Nordair left last night with mail for the maritimes.

REGIONAL DEVELOPMENT

MANITOBA—DISCUSSION OF PLANS OF PREMIER

Mr. George Muir (Lisgar): Mr. Speaker, I should like to ask what answer the Prime Minister has given to the request of the premier of the province of Manitoba to enter into discussions of the plans for Manitoba's economic development set out by the commission on Manitoba's target for economic development?

Mr. Marshall: Mr. Speaker, I rise on a point of order. Perhaps the minister did not understand my question.

Mr. Muir (Lisgar): Mr. Speaker, I also rise on a point of order.

Mr. Speaker: Order, please. Perhaps the hon. member would allow the hon. member for Lisgar to ask his supplementary question? I will return to the hon. member in a moment.

Mr. Muir (Lisgar): Mr. Speaker, the Prime Minister was about to answer my question.

Right Hon. P. E. Trudeau (Prime Minister): I was, Mr. Speaker, but I yielded to the point of order.

Mr. Speaker: Order, please. I gather the point of order will now yield to the Prime Minister's answer.

Mr. Trudeau: Mr. Speaker, I am not aware of the letter to which the hon. member refers but I will look it up. I do know that officials of the Department of Regional Economic Expansion are planning to meet with officials of various provinces to discuss with them problems of economic expansion.

POST OFFICE DEPARTMENT

AIR CANADA STRIKE—MAIL SERVICE TO SYDNEY-STEPHENVILLE-GANDER AREA

Mr. Jack Marshall (Humber-St. George's-St. Barbe): When I directed my question to the Postmaster General he just said that mail was going to the maritimes. I realized that from the words of the Prime Minister a couple of days ago, and I did not expect the minister to repeat them. I sincerely asked what is going to happen in respect of those intermediate points between Halifax and St. John's, Newfoundland. That is all I asked.

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, all I said was that the charter service provided by Nordair for the maritimes began last night. Because it was a Sunday, last night the mail for all the maritime points happened to be comparatively light. But the service commenced anyway, because it has to return with maritimes mail picked up from Halifax and all the other intermediate points.

AIR CANADA

STRIKE OF MECHANICS—DEPARTMENTAL AIRCRAFT TO HANDLE AIR FREIGHT

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, in view of the serious shortage of air freight space on other airlines due to the Air Canada strike I wonder whether the Minister of Communications has now considered using the services of Department of National Defence aircraft or the Department of Transport so as to liberate some of the space on the Canadian Pacific Airlines and other carriers in Canada for commercial people who find it essential to use air freight? I have particularly in mind the flower growers in my area whose entire annual income is derived during a short period of time and depends entirely on air freight.

Inquiries of the Ministry

AGRICULTURE

ASSISTANCE TO FARMERS IN COMPENSATION FOR LACK OF GRAIN SALES

Mr. George Muir (Lisgar): Mr. Speaker, I have a question for the Prime Minister. In view of the very serious shortage of cash on the western prairies due to the lack of grain sales, has the government any plans to assist our farmers in this regard before the critical spring planting season commences?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have nothing to add to what the ministers responsible for that area of government have said.

VETERANS AFFAIRS

SUGGESTED REFERENCE OF WOODS REPORT TO STANDING COMMITTEE

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question for the Minister of Veterans Affairs. Have complaints been received from the Quebec War Veterans Association and also from the Association of War Blinded inquiring as to the length of time it has taken to get the Woods committee report before the Standing Committee on Veterans Affairs; and if so, what consideration has been given to these complaints?

[*Translation*]

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, I have received a brief on the matter from the Council of Veterans Associations of Quebec.

The existence of such documents originating with the War Blind Association was not brought to my attention by officers of my department.

However, I explained to the Veterans Affairs Committee, last Thursday, and to the House, during the preceding week, the procedure that the government intends to follow with regard to the Woods report.

[*English*]

EXTERNAL AFFAIRS

ADDITIONAL PASSPORT ISSUING SERVICE

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. I know I am speaking on behalf of all M.P.'s who would like to have some of the pressure taken off them from wires, telegrams and letters we are receiving. In view of the continuing difficulties and the overload of work at

the passport office in Ottawa, owing to the new regulations, resulting in a serious backlog in the issuance of passports, can we have an assurance that immediate consideration will be given to the opening of sub-offices in Vancouver and other centres for the issuance of passports? I ask this question because we are getting heartbroken at the wires and telegrams we are receiving on this matter.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I intend, perhaps later in the week, to make a more complete statement on this subject because I understand how serious the matter is. But perhaps it will help to explain the situation if I say that the volume of applications this year is up by 28 per cent over last year.

Mr. Winch: That is the reason we want something done about it.

Hon. Gordon L. Fairweather (Fundy-Royal): A supplementary question, Mr. Speaker. In a very excellent announcement many months ago it was said that sub-offices were to be opened. The question I want to ask is, when will they be opened?

Mr. Sharp: It had been our intention, and was so announced, to open them next year.

Mr. Robert Simpson (Churchill): Mr. Speaker, I wonder whether the minister would consider changing the advertising in regard to passports, which advises people to apply two weeks in advance, when the passport office is taking six to seven weeks normally to issue a passport.

Mr. MacDonald (Egmont): It is taking two years.

Mr. Sharp: Mr. Speaker, the customary time for dealing with applications was about five days. At the present time it is about ten days.

Mr. Winch: It is six weeks.

Mr. MacInnis: What the minister has said is nonsense. He has it all fouled up.

HEALTH AND WELFARE

MEDICARE—PARTICIPATION BY QUEBEC IN NATIONAL PROGRAM

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Considering the statement made Friday evening by the Quebec minister of health, Mr. Cloutier, that Quebec had no other choice but to move to complete medical insurance, would the minister advise the house whether he had received any communication from the Quebec minister or his staff indicating that they now wish to join the federal medicare program?

Hon. John C. Munro (Minister of National Health and Welfare): Not officially, Mr. Speaker. However, the officials of my department and those of the department of health for the province of Quebec are talking back and forth on a continuing basis. We know that Quebec is interested in the federal proposals and is aware of them, but they have not made any definite decision as to when they are coming in, and if they are coming in.

MANPOWER AND IMMIGRATION

INQUIRY AS TO APPOINTMENT OF COUNCIL AND SUBSIDIARY BOARDS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Manpower and Immigration whether he has yet appointed the Canada Manpower and Immigration Council.

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, as I explained to the hon. gentleman some time ago in an earlier debate, I have been waiting for the nominee of one of the important national organizations, which has not been forthcoming. However, notwithstanding that deficiency, I have proposed the names to my colleagues and we hope that the council will be appointed very shortly.

Mr. Stanfield: A supplementary question, Mr. Speaker. Is the Minister of Manpower and Immigration also recommending the immediate establishment of subsidiary advisory councils, to which he referred in his speech some months ago?

Mr. MacEachen: Yes, Mr. Speaker. Just as soon as the major council is appointed we will proceed to nominate the four subsidiary boards.

Mr. Stanfield: A supplementary question, Mr. Speaker. Is it the intention of the minister to seek the advice of this council in an urgent way with regard to the employment of student manpower in the country?

Mr. MacEachen: There will be a number of important policy matters that will go before

the council and the boards. I doubt whether it will be possible to receive the advice of the council on this very important matter, which is now immediate and upon us.

LABOUR CONDITIONS

UNEMPLOYMENT IN ATLANTIC AREA

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary question for the Minister of Manpower and Immigration. In view of the very alarming statistics put out by the Dominion Bureau of Statistics on Friday, that approximately half a million Canadians are unemployed, representing almost 6 per cent of the labour force, what is the government doing about this very serious and alarming rate of unemployment?

Mr. Speaker: Order, please. The hon. member knows that I have taken the liberty of making the suggestion that it is difficult to ask for a general statement at this time. I think the question ought to be more specific than asking for a very general answer. In my humble opinion this kind of statement should be made at the time of motions.

[*Later:*]

Mr. James A. McGrath (St. John's East): A further supplementary question, Mr. Speaker. In view of the alarming unemployment statistics for the nation as a whole, and particularly for the Atlantic provinces, which are now undergoing such serious financial circumstances—I understand the figure for the Atlantic provinces, in respect of unemployment, is 10 per cent of the labour force—what is the government doing about this very serious rate of unemployment, especially for the Atlantic provinces?

Mr. Speaker: Order, please. I might point out to the hon. member that, if my recollection is right, the same type of question was asked last week. I would still like to suggest to hon. members that this type of question always produces the same type of answer. Whichever minister is responsible for the matter raised, he will make a long statement as to the accomplishments of the government, and we are not much further ahead having heard—

Some hon. Members: Hear, hear.

Mr. Speaker: —either the question or the answer. This is why I have always suggested to hon. members that there is not much point taking many minutes of the very limited and restricted question period to undertake this kind of exercise.

Mr. McGrath: Mr. Speaker, I rise on a point of order. I agree with Your Honour's ruling, but my question was prompted by the statistics put out by the Dominion Bureau of Statistics on Friday last; therefore, my question is of an urgent nature.

EMPLOYMENT OPPORTUNITIES FOR STUDENTS

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a supplementary question for the Minister of Manpower and Immigration on the specific question of unemployment. In the light of the Canadian Press national survey showing that some quarter of a million students are likely to be without employment this summer, would the minister consider tabling in the near future a statement about what programs his department is going to implement this summer to deal with this situation?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Yes, Mr. Speaker, I will consider tabling such a statement.

CONSUMER AFFAIRS

INQUIRY AS TO SETTING UP OF PRICES AND INCOMES COMMISSION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a supplementary question for the Prime Minister. Now that it seems the Minister of Manpower and Immigration is taking steps to establish this long delayed council, would the Prime Minister encourage the Minister of Consumer and Corporate Affairs to bring forth to the government his recommendations with respect to the prices study group?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the minister has already consulted with me on certain nominations, and I think that this will be done forthwith.

HEARING AIDS—INQUIRY AS TO AVAILABILITY OF REPORT

Mrs. Grace MacInnis (Vancouver-Kingsway): I notice that the Minister of Consumer and Corporate Affairs is not in his place today, Mr. Speaker. I wonder whether I can borrow the ear of his Parliamentary Secretary—his good ear, please. In view of the recent hearing aid swindle in connection with which an Ontario judge ordered repayment to six elderly people who had been charged $360

for instruments which cost $45, can the minister say just how soon his own investigation into hearing aids will be considered? I am aware that we get "soon" as an answer to this question, but these people have been waiting a long time to hear the results of this inquiry, and perhaps the news should be forthcoming at a very early date, now.

Mr. Stanley Haidasz (Parliamentary Secretary to the Minister of Consumer and Corporate Affairs): I assure the hon. member that I shall bring this matter to the attention of the minister as soon as he returns to the house.

HEALTH AND WELFARE

CONTAMINATION OF FISH IN LAKE HURON

Mr. Jack Cullen (Sarnia): I have a question for the Minister of National Health and Welfare. I should like to know what assurance his department can give that cohoe salmon and other fish taken out of Lake Huron this summer are not dangerously contaminated by high parts per million of d.d.t.

Hon. John C. Munro (Minister of National Health and Welfare): We are examining this situation. We are satisfied that any parts per million of d.d.t. in cohoe salmon taken from Lake Huron would be well below the level which might be considered detrimental or dangerous. However the investigation is being carried on and I hope to have more information in the next few days.

Mr. Cullen: Will the minister tell me how he knows the levels are not dangerously high if the investigation has not been completed?

Mr. Speaker: Order, please. This could develop into a debate. The minister and the hon. member might get together, if they wish, at ten o'clock.

[*Translation*]

TRADE

WHEAT—NEGOTIATIONS WITH JAPAN TO SELL CANADIAN SURPLUS

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a question for the hon. Secretary of State for External Affairs.

Would the minister tell the house whether, during the discussions between Canadian and Japanese officials held last week, any mention was made of the possibility of trading or selling part of our 1968 wheat crop which is still on hand?

[Mrs. MacInnis.]

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): I can assure the hon. member that my colleague the Minister of Industry, Trade and Commerce was a very ardent advocate on behalf of our wheat producers.

RAPESEED—DISCRIMINATORY JAPANESE TARIFF AGAINST CANADIAN PRODUCT

Mr. A. P. Gleave (Saskatoon-Biggar): My supplementary question is directed to the Secretary of State for External Affairs, Mr. Speaker. During the recent trip to Japan was the question of the discriminatory tariff on rapeseed exports to that country discussed with the representatives of the Japanese government, and if so can the hon. gentleman give us any indication of the response received or the attitude expressed?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker, we had a long and detailed discussion on this subject. We pointed out to the Japanese government that we considered their treatment of rapeseed as against soyabeans to be very discriminatory, and they have promised to take this under consideration.

OSAKA '70

CANADIAN REPRESENTATION AT OPENING OF WORLD FAIR

Mr. Thomas M. Bell (Saint John-Lancaster): A supplementary question, Mr. Speaker. May I ask the minister if it has yet been decided who will be representing Canada at the opening of the world fair in Japan next year, in May?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The Japanese government has consulted with us as to whom we would like them to invite.

Mr. Bell: Is the minister aware that because of the invitations floating around tc both the Prime Minister and the Governor General some consternation has been caused in other countries concerning the pattern they should follow, and that a decision should therefore be forthcoming as soon as possible?

Mr. Sharp: The Japanese government is looking to us for some guidance.

Mr. Baldwin: God help them.

INQUIRY OF THE MINISTRY

Mr. Ed Schreyer (Selkirk): In view of the fact that in 1969 there are huge stockpiles of wheat in western Canada while, at the same time, eastern farmers are receiving very low prices for their corn, would the minister make representations to one of his former colleagues and ask her to stop making commercials for the sale of rice?

EXTERNAL AFFAIRS

MAINLAND CHINA—U.S. REACTION TO CANADIAN RECOGNITION—STOCKHOLM MEETING

Mr. Robert Muir (Cape Breton-The Sydneys): I wish to direct a question to the Secretary of State for External Affairs, Mr. Speaker. Has the United States State Department informed the Canadian government that the United States is—and I quote—"very much concerned" about Canada's attempts to negotiate diplomatic relations with Peking?

Hon. Mitchell Sharp (Secretary of State for External Affairs): When we announced our intention to do so the United States government indicated to us that they did not endorse this action on our part and were concerned about the position of Taiwan. I expected this would be the position, and I was not surprised.

Mr. Muir (Cape Breton-The Sydneys): May I ask the minister whether he can tell us to what point the negotiations with Peking have now progressed?

Mr. Sharp: I think I have reported to the house on this, but if not, I do so now. Arrangements have been made with the Canadian ambassador in Stockholm to meet with a representative of the Peking régime in Stockholm some time in May to open the discussion on substantive issues.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Can the minister explain to the house the meaning of the statement attributed to him in Tokyo, that the question of the recognition of Mainland China was to be dealt with separately from the question of the admission of Mainland China to the United Nations. Was the minister suggesting that the one is not necessarily contingent on the other, or that he will support the one and oppose the other?

Mr. Sharp: While in Japan I did make a statement somewhat along the lines of that which has been quoted by the hon. gentleman from a newspaper report. What I said—and this is government policy—was that the two issues of bringing about an exchange of diplomats with Peking and the question of the membership of Mainland China in the United Nations, or the replacement of the Nationalist government by the Peking authorities in the United Nations, are two separate questions which we intend to deal with separately.

I added that our attitude with respect to membership in the United Nations would be consistent with the progress we make in negotiations for the exchange of diplomats.

Mr. Muir (Cape Breton-The Sydneys): A supplementary question—

Mr. Speaker: I wonder whether the hon. member would not allow the Chair to see other hon. members who are waiting anxiously for an opportunity to ask questions.

Mr. Muir (Cape Breton-The Sydneys): Yes, Mr. Speaker. On a point of order, I would be more than pleased to accede to your request though there have been many days on which I have been unable to see you.

Mr. Speaker: I can assure the hon. member that I see him every day.

CANADA COUNCIL

SCHOLARSHIP TO STANLEY GRAY

Mr. A. D. Hales (Wellington): I should like to address my question to the Secretary of State, Mr. Speaker. In view of the number of complaints which I, and I am sure many other members of this house, have been receiving concerning the doctoral scholarship in the amount of $5,500 granted to one Stanley Gray, the disruptive activist of the McGill staff, has the minister requested the Canada Council to withdraw this grant?

Hon. Gérard Pelletier (Secretary of State): No, Mr. Speaker.

Mr. Hales: Is it the intention of the minister to ask the Canada Council to withdraw it?

[*Translation*]

Mr. Pelletier: That cannot be the intention of the Secretary of State because it is not within his competence and it would be most indecent of him to make suggestions to an agency such as the Canada Council, to give it instructions or to make decisions for it, considering the responsibilities this institution has received from parliament and the law that governs it.

Inquiries of the Ministry

[*English*]

CANADIAN BROADCASTING CORPORATION

"DON MESSER'S JUBILEE"—DEMONSTRATION ON PARLIAMENT HILL

Mr. Robert McCleave (Halifax-East Hants): My question is directed to the Secretary of State because of his interest in many aspects of culture. Will he be attending the festival outside this building tomorrow at noon in honour of a great Canadian group of entertainers, Don Messer's Jubilee?

[*Translation*]

CANADIAN CULTURE

ESTABLISHMENT OF JURISDICTION

Mr. Gérald Laniel (Beauharnois): Mr. Speaker, I would like to ask the Secretary of State a question.

Could he soon advise the house of the results of his meeting with the Quebec Minister of Cultural Affairs and assure us that the government of Canada will continue to be directly interested in Canadian culture, including Quebec and Quebeckers?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I cannot report anything more than was said in the press release, to the effect that it was an information meeting at which we learned a great deal about the internal intentions of Quebec, within its own jurisdiction, regarding cultural activities.

As to the assurance that the federal government will continue to be interested in intellectual matters, I do not think it is necessary to assert it once again since it is an essential concern of all governments, municipal as well as federal and provincial.

Mr. André Fortin (Lotbinière): Mr. Speaker, could the Secretary of State say whether the government of Quebec has refused or accepted to discuss cultural matters with the federal government?

[*English*]

REGIONAL DEVELOPMENT

INDUSTRIAL INCENTIVES MEASURE TO IMPROVE ECONOMY

Mr. David Lewis (York South): Mr. Speaker, I should like to direct a question to the Minister of Regional Economic Expansion. He will no doubt recall that last Thursday, I believe it was, I asked him whether there were any negotiations with provinces with which there is not now a FRED agreement to assist them in their economic development, and the minister replied that his officers were having discussions with such provinces at the time and that he hoped to have a report very shortly. Has the minister received such report from his officers, is any action now contemplated and, if he is not yet in a position to make a statement, when does he expect to be?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, as I said last week, the deputy minister of my department met with the representatives of the Maritime provinces. He will meet this week or next with the representations of other central and western provinces and it is only after that extensive tour that we will be in a position to announce which policy will be carried out.

[*English*]

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary question, Mr. Speaker. May I ask the minister whether it is the view of himself and his department, as expressed by the deputy minister, that it will take several years before it will be known whether much can be done about regional disparity? Is that the official view of the department?

Mr. Lewis: A further supplementary question, Mr. Speaker. I must have misunderstood the minister last Thursday. May I ask him whether these visits by the deputy minister and other officials to the provinces are in order to negotiate a plan, whether they are preliminary discussions, or what is the position? Is this a long-term proposition, or is something likely to be done within the next couple of months?

[*Translation*]

Mr. Marchand: Mr. Speaker, those meetings will enable us to discuss the bill referred to last week, in order to obtain the views of the provinces on their approach to development in the fields within their jurisdiction.

They will provide us with a mass of information and views which will be extremely useful when the new regional expansion policy is discussed in the house.

[*English*]

STATEMENT BY TOM KENT RESPECTING DISPARITY IN ATLANTIC PROVINCES

Mr. Robert Muir (Cape Breton-The Sydneys): A supplementary question, Mr. Speaker.

Mr. Speaker: Order. There are another two minutes left. In view of the fact the hon. member for Cape Breton-The Sydneys was denied a supplementary question a moment ago, perhaps he might be allowed this one.

Mr. Muir (Cape Breton-The Sydneys): Thank you, Mr. Speaker. It is to the Minister of Regional Economic Expansion. Is he aware that Tom Kent, his deputy minister, said in Halifax several days ago that it will be several years before the department or the minister will know whether regional disparity can be overcome? May I ask him whether he knows of this statement, and does he agree with it?

Mr. Speaker: Order. The question cannot be asked in that way. The hon. member knows that ministers cannot be asked to confirm or deny statements made outside the house. The question must be put directly to the minister.

Mr. Muir (Cape Breton-The Sydneys): Then may I rephrase it, Mr. Speaker. Is it the minister's opinion that it will be several years before he and his department will know with any great certainty, whether regional disparity can be overcome in the Atlantic provinces?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I do not know how long it will take but what is important is that we should go to work as soon as possible. I know that the Leader of the Opposition (Mr. Stanfield) used to be the premier of a province which falls in the category of underdeveloped provinces. I know also that he worked hard while in office but the province has not yet reached an appropriate level of economic development.

Anyhow, Mr. Speaker, I think that nobody can say at which time the required equilibrium will actually be reached, but what we are going to do is start as soon as possible to correct those regional disparities.

[*English*]

ARTS, LETTERS AND SCIENCES

EXPENDITURES FOR NATIONAL MUSEUMS

Mr. Speaker: Order. We have now gone beyond the time assigned to questions, but the hon. member for Brandon-Souris has been foiled by other questions in his effort to ask a question. Perhaps he might be allowed to ask a question at this point.

Hon. W. G. Dinsdale (Brandon-Souris): Thank you, Mr. Speaker. My question is to the Secretary of State and it has some urgency. Arising from the resignation of the Director of the Museum of Natural Sciences on the ground that government austerity has brought the museum to the end of its rope, and in view of recent similar statements by Dr. Taylor of the Museum of Man, and Dr. Boggs of the National Gallery, may I ask the Secretary of State what plans he has to deal with the growing crisis in our national museums?

Mr. Speaker: Order. I suggest to the hon. member that his question is of very general nature and is the type that ought to be placed on the order paper. Perhaps it is a matter about which the minister might want to make a statement on motions.

EXTERNAL AFFAIRS

ADDITIONAL PASSPORT ISSUING SERVICE

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I rise on a point of order. I did not rise during the question period for two reasons. First, I did not want to take the time of questioners and, second, I wanted to illustrate graphically the relation of my point of order to the answer given by the Secretary of State for External Affairs, who admittedly has been out of the country for some time on government business and in the national interest.

His answer that it takes eight to ten days to get a passport is just about as much out of line as it is for me to stand here at this hour on orders of the day raising a point of order. As he answered the question I was just giving a message to a messenger to pick up four passports for which I have been waiting for over two months. I have made a number of passport applications during recent months. In fact, with respect, I dare say I have made even more than the minister since he has much more national business to attend to. The minimum time period—

Mr. Speaker: Order, please.

Mr. Nowlan: On a question of privilege, then—

Mr. Speaker: Order. I suggest to the hon. member that this is a clear abuse of the rules of the house. The hon. member has risen on a point of order, and when the Chair decides there is no point of order for the hon. member to pursue he furthers his grievance by claiming he is rising on a question of privilege. I suggest to him that the point he is making now, which may be an entirely valid one, is not, in my view, either a point of order or a question of privilege. Nevertheless, he may have a question of privilege, and the rules require that I should hear him.

Mr. Nowlan: Mr. Speaker, I must say I respect the generality of your comment and the generosity of your thinking, but I rose initially on a point of order so as to point out the disorder in the minister's statement. May I switch to a question of privilege because my point of order has no reflection upon the hard working people in the department; they are just snowed under. My question of privilege is this. With the Air Canada strike, along with the delays that have been referred to in the passport office, there is a very real functional problem even when you do get your passport. The four passports that I as a member of parliament obtained today are for people who hope to fly on Thursday. How do I get these passports to Nova Scotia or the west coast? I only hope—

Mr. Speaker: Order. I can only say to the hon. member that he cannot have this done through a question of privilege.

[*Translation*]

GOVERNMENT ORDERS

CRIMINAL CODE

REPORT STAGE

The house resumed, from Friday, April 18, consideration of Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs. And the motion of Mr. McQuaid (for Mr. Woolliams):

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by inserting in clause 7, after the word "age" on line 9, page 24, the following words:

"except as to bestiality and carnal copulation with a beast".

Mr. René Matte (Champlain): Mr. Speaker, last Friday we were still dealing with the famous clause 7 of this bill, which we wanted deleted, in view of its ambiguity, and above all—these are the points that were debated at length last week—the fact that it fails to take into account the views from our ridings. In fact, its passing would be opposed to the dignity of the human beeing.

Mr. Speaker, that is the reason why we keep on insisting and we would like to hear others, particularly members of the government, express their views and those of their constituents on this clause now before us.

We spoke about everything and we finally find this section so stupid and ridiculous that we wonder how such views could possibly be submitted in a place as dignified as this house.

The hon. member for Lotbinière (Mr. Fortin), who spoke Friday on this amendment has just explained that because we did not get our way with the first amendments, we will at least make an attempt to improve somewhat this legislation. We want some points to be explained, and that is the purpose of this amendment.

These ridiculous and stupid things are leading the debate into dog houses, cow stables and pig pens, as we are now dealing with bestiality. It is imperative to respect human dignity, in such a way that the law will provide for the most freakish cases, too bestial for human beings. That is the purpose of this amendment.

• (3:10 p.m.)

We want that problem to be examined seriously and hope that we have heard the last of the argument that the clause before us only serves to sanction something which is quite normal, undercover of the right to liberty. Mr. Speaker, we fail to see how individual freedom can be improved by saying that an act which is now considered criminal in itself will be accepted from now on because two persons committing it are 21 years of age. We believe that the passing of such a legislation is useless.

At least we would like the amendment to be made more specific by adding the words

"except as to bestiality and carnal copulation with a beast."

Mr. Speaker, we have now reached the point where we do not know whether we are protecting the animals rather than man through this amendment. Whatever it may be, the discussion requires that we point it out.

Mr. Speaker, it would be really important that the majority of the hon. members express their own opinion freely, because we believe that we should not rely on the vote. Recently, I happened to be explaining that, but my time elapsed before I could finish. I readily understood what was meant by "free vote". To speak of a free vote implies the existence of votes which are not. That struck me as rather odd. However, on seeing how the "voting machine" works, one finally understands what the expression "free vote" means.

If government members cannot have a free vote, they could at least rise and explain their reasons for voting in favour of the bill. If they do not want to do so, if they are not against homosexuality, they should at least have the courage to rise and tell us why they are for it. We have not heard from them yet.

We are aware of the opinions of our good neighbours of the New Democratic party who, under the guise of liberty, are generally in favour of such legislation. At least, they have clearly expressed their opinions. We respect them even though we do not agree with them.

However on the government side—we know it because we are told so behind the scenes and because we know their constituents who, incidentally are preparing to vote for the Ralliement créditiste—they should express the opinion of the population on that matter.

That is what we would like to know. It is the role of this parliament to reflect public opinion through the people's representatives here, and I wonder if it makes sense that some hon. members should remain silent under the pretext that those are minor questions and that an actual and well-established situation must be clarified.

Even if 10, 15 or 20 per cent of the population were suffering of that so-called disease, homosexuality, it should in no way justify its legalization, and I wonder where one can find arguments to justify it? We should like to hear reasonable arguments.

When we are told that such a condition is due to an illness, we are quite in agreement; but if it is something that concerns mental or physical health, we should, I think, be logical and admit the true significance of the figures supplied by the experts.

Less than 1 per cent of homosexuals are truly sick while the rest are nothing more nor less than vicious people.

The younger ones are corrupted and raped by older ones. It is merely the decline of morality that accounts for the higher percentage of cases. If this house intends to legalize such acts when they are committed by persons 21 years of age and over, one must admit that it is legalizing a vice.

Let us see things as they are. As a matter of fact, if we were dealing with a medical problem, we would organize psychiatric clinics in order to cure these sick people, as is being done for alcoholics, the mentally ill and the handicapped. Why not try to cure these people instead of legalizing a loathsome act?

The other day, I mentioned kleptomania, as an example, but I was not taken seriously, I think. So, I will give it another try.

Even though a number of kleptomaniacs are not responsible for their actions because they are prompted to commit them by a morbid impulse, is it a reason for us to legalize theft for persons aged 21 years or over under the pretext that they suffer from kleptomania?

That is exactly what we are doing with respect to homosexuality. We approve of indecent, even criminal acts. It is an indictable offence in that it leads youth astray, relaxes morals, brings about decadence, causes disorders and paves the way to anarchy.

Mr. Speaker, perhaps this is one of the causes of the type of anarchy now prevailing. When one sees young people with energy to spare looking at their elders with a critical eye, wrangling and protesting and even committing acts of vandalism as a manifestation of their anarchic minds, it is because they do not accept the society that we prepared for them.

Are such bills likely to help us check this anarchictic movement?

• (3:20 p.m.)

Is that the example we set for the young people of the country? Is that the way to encourage our young people to put forth their energy for the common good of all? It certainly is not.

Indeed, what will the public reaction be when this bill is passed? I hope it is not.

The distinctions that are made here, for instance, are not always made elsewhere. The people, generally, do not take time to make the required distinctions and reservations. And so, what happens? In the eyes of the public, those of the young people of Canada, one thing will be legalized: homosexuality. There will always be professional go-betweens who will give 18-year olds cards proving that the bearer is 21. These things are being done.

As identification cards are still not compulsory, it will be difficult to tell who is 21 and who is 20, 11 months and 30 days. The latter will be sent to prison while the former will go free. To say that homosexuality is legal from 21 years of age on is erroneous.

The consequences of this bill must be analyzed. If, as I have said before, we are dealing here with a sickness, then let the Department of Health take care of it and not the Department of Justice.

As for the disastrous consequences of the passage of this clause for all our young people, they should be fully looked into. Indeed we must keep our youth wholesome and set them patterns to follow. We must be their models. Canadian Parliament must not set bad examples to all this youth which expects much more from us.

In fact, young people expect to be given the opportunity to develop their initiative. They wish to make full use of their energies. They are ready to work to attain their ideals, in short, to co-operate towards the development of the entire country. It is not by presenting such platitudes that we will succeed in proposing a really worthwhile ideal to our youth.

That is a major argument which should compel us to reflect more and to act a little more seriously. Even if we live day by day, we must always think a little further than the tip of our nose. We must always foresee what will happen in six months, in a year, in two years and even what will happen to future generations. And what about the generations that will be scandalized by the passage of such bills: it will be a stain on our political history. That is why we insist so much. We have been discussing the problem for three days; in fact, we began the fourth day of discussion today. We want nobody to say that we have not done our duty, as our constituents asked us to do at the last election.

They demanded that we oppose strongly the omnibus bill. They also asked all candidates in Quebec to do likewise. That is why even if we seem to stray from the subject when we ask government members to express their views, we are certain of reflecting the opinion of the majority of the people.

I said the other day, and the hon. member for Trois-Rivières (Mr. Mongrain) did not seem to believe it, that there is not one person, not one organization that has asked me to support this bill, though it is the subject which has brought forward the greatest volume of mail, and inspired the most discussion. Indeed, we have the support of 100 per cent of the people; mind that: 100 per cent of the people.

Possibly, some may be ready to accept that; but none of them ever urged his member to support such a bill.

Mr. Speaker, we have to consider this situation most seriously. The whole country is watching, wondering about the decision we are going to make while aware that with the majority government, we can be forced to—

Mr. Speaker: Order. I regret I have to interrupt the hon. member but the time allotted to him has expired.

• (3:30 p.m.)

[*English*]

Mr. Cliff Downey (Battle River): Mr. Speaker, many hon. members, and I number myself among them, are at a disadvantage in this debate because to a large degree it is a lawyer's debate concerned with fine points of legal interpretation and the difficulties of applying the law. For those of us not trained in the law this makes things a little more difficult. Those of us who are primarily interested in the social aspects of the proposed changes find great difficulty in discussing them free of the excessively legalistic atmosphere imposed by the technicalities that are involved.

For instance, in regard to the proposed amendment creating a new section 149A I can well see that from a strictly legal point of view this change may be desirable. I have been told that the law as it now stands in this regard is almost impossible to enforce and that it opens the door to unsavoury actions such as blackmail of homosexuals. As it is difficult to enforce and ineffective from a legal point of view, the legal profession and the judiciary quite naturally are of the opinion that if such restrictions are ineffective they should be removed.

This may be all right from a strictly legal point of view, but what about the social

implications? If we sanction homosexual practices in any degree, no matter how small, surely we will have great difficulty in maintaining that homosexuality is objectionable in a general or social sense. The defenders of the amendment creating this new section have made a great thing of saying that it in no way implies official sanction of homosexuality. This may be true in a strictly legal sense, but not every young Canadian is a lawyer. There is bound to grow up a general public sense that homosexual practices are all right and tolerable if practised discreetly. In my view this amendment will simply open the door to a gradual acceptance of homosexuality in all its ramifications.

What this amendment says in effect is that homosexual gratification is entirely permissible and quite acceptable in certain circumstances, but in others remains a grave moral and criminal offence. This is a witches' brew. It is only going to produce confusion in the public mind and could very possibly lead to legal problems and entanglements far more complicated than those that the amendment seeks to get rid of.

The trouble is that homosexual practices will no longer be completely forbidden nor completely sanctioned. The amendment is neither fish, fowl nor good red meat. It is a timid half-way measure that will satisfy neither those who hold that homosexuality in any form is an abomination, nor those reformers who regard it as a regrettable human aberration that is more a disease than a crime and something that should be removed from the Criminal Code in its entirety. I believe this amendment to be a weak compromise between rigid rejection by our society of homosexuality in all its manifestations, and the wide open, completely permissive society sought by radical reformers.

It would be interesting to know whether our legal authorities have been able to come up with any figures on the rate of conversion of young people to homosexual practices. I am not aware of any such figures but I believe they are a critical factor in the consideration of this amendment. I believe so because, after all, what we will be saying to our young people from now on, if this legislation carries, is that homosexuality is criminal and abhorrent but only up to the age of 21. There is something particularly absurd in setting an arbitrary age frontier of 21.

I would like to go back for a minute to the conversion rate of young people to homosexuality. It has always been stated that homosexuals are not criminals but are sick. This may or may not be true. But are not kleptomaniacs sick? Are not a great many murderers sick? Are not rapists sick, and a great many other people involved in crimes? But the fact remains that our laws are made to protect law-abiding normal citizens, whether it be from people who are sick or people who are unfortunate in some other way.

The argument has been made that the homosexual must be protected from blackmail. Surely our young people also deserve protection. The urge of these people to convert young persons to their ways is established. Let us not forget this. There are doubts in my mind whether homosexuals are in reality sick to the extent that is often presented in their favour. Homosexual practices are common in prisons where men are without women and vice-versa. They often occur in private schools where groups of men are shut up together for long periods of time. Does this make them sick? Where I come from people have a different terminology for such actions.

The minister needs to bear in mind that not all homosexuals are sick. Some may be sick, but there are a variety of reasons why people are this way. Definitely not all these people are sick, and I maintain that the law should remain as a deterrent, that the law is to protect average citizens, those who believe in the natural processes.

There are other things such as male prostitution to which this amendment will open the door. As long as consenting adults can carry on legally provided they do so in private, this is a very distinct possibility. There are so many ramifications to this whole problem that I believe we should strike out this amendment and go back to an extensive and scientific study of the whole problem in all its aspects. Such a serious and far-reaching social problem should not be tampered with as one small part of a large, omnibus amendment of the Criminal Code. For all I or anyone else in Canada knows, a thorough study of the question might indicate that homosexuality should be removed entirely from the realm of criminal law and treated as a social welfare problem, as are human weaknesses such as tuberculosis, mental illness, etc. As far as I can see all this amendment does is make things easier for some lawyers and judicial officers, without getting at the root of the problem in any comprehensive way. In doing so it will open the door to many possible developments which at this time we can only conjecture.

While I am on the subject of amendments to the Criminal Code, may I say I wonder

why more significant amendments were not undertaken when so many subjects were under review. For instance, It would be interesting to hear from the minister whether his departmental officials have studied the legalizing of prostitution. I do not have the report at hand at the moment, but I recall seeing the results of a study carried on in an area of the United States where prostitution was legalized. This action resulted in a dramatic and I might say very welcome drop in crimes such as rape, muggings, sex murders and things of that nature. I would think the minister would be well advised to look into this aspect. It seems to me that the problem of increasing crimes of violence, sex offences and crimes in the streets generally should have a higher priority in terms of legal reform than should minor facets such as homosexuality, abortion and the like.

• (3:40 p.m.)

I do not wish to labour the subject any further, but it does seem to me that with this amendment creating a new section 149A the minister has laboured long and strenuously and brought forth a mouse. At best it does no more than scratch the surface of a tremendous social question. At worst it provides semi-official sanction for a practice which the majority of civilized people still regard with revulsion. It may be quite clear to lawyers that this amendment does not constitute official sanction, but to the majority of Canadians untrained in the law and unable to judge its delicate nuances it will come to mean that the government of Canada no longer regards homosexuality and homosexual practices as offences against our social code. Whatever the legal profession and the judiciary may say, the adoption of this amendment will be taken generally as meaning that this practice has official approval.

Because I believe that any good this amendment will do will be far outweighed by its bad effects I suggest its withdrawal. In making this suggestion I would close by repeating what I said earlier, that the whole subject of homosexuality be taken up by somebody competent to study all its aspects and its position in our modern Canadian society today. To my mind this would be a sounder and more civilized approach to a question that most people admit is a huge and growing social problem.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the spectacle the House of Commons is presently giving of itself to the country with the discussion of the bill on homosexuality is rather sad judging from reactions which have been coming in from several areas of the country.

We must admit that sometimes humans are even more bestial than animals.

If possible, I would like the people to know through our media of information what we think of homosexuality.

Practically everyone agrees that homosexuality is a disease. Therefore, instead of making it legal, why not bring forward a bill aiming to build hospitals where those sick people could be treated? I suggest we should take this course instead of introducing in the house a bill allowing adults to commit such acts together.

I said a minute ago that human bestiality is more stupid than animal bestiality. As a matter of fact, when has one seen two elks or two bears play together?

There is an animal species, the rabbits, called the hot race. When has anyone seen two adult rabbits practise homosexuality or sexual bestiality? Never, because they know it is not the natural thing to do.

Mr. Speaker, we, who are reasonable people, have initiated in the house a debate to determine whether homosexuality should be legalized, whether we should allow two men or two women twenty-one years of age and over to have fun together, if they fell that way. That is more stupid than animal bestiality.

Mr. Speaker, they want to sanction such bestiality by means of a national act. As my colleague from Champlain (Mr. Matte) said a while ago: the population is against. Who suggested to the Minister of Justice, two years ago, that is so the present Prime Minister (Mr. Trudeau), who exerted pressures on him to have such a bill introduced in the house?

We see quite clearly that the measure should not only be up-do-date but also act as a sort of preventive medicine.

A while ago, my colleague from Champlain eloquently said that that bill is intended for our 16, 17 or 18 year-olds; but let them wait until they are 21 years old, and then they can give free rein to their instincts.

And to think, Mr. Speaker, that an educational program could so easily be set up right across Canada to correct that situation. There are so many beautiful women and young girls who are looking for husbands as handsome, if

possible, as the present Minister of Justice (Mr. Turner) who would be all too glad to settle for a happy wedded life.

But, Mr. Speaker, instead of introducing a bill to educate the young, to encourage them to marry, and to give them the economic context in which they could found a family, the government invites them, through legislation, to prepare for homosexuality when they reach the age of freedom, 21. To think that we should lose such handsome men and beautiful women through the fault of the Department of Justice!

Mr. Speaker, we are not the only members who feel this way for some government members think exactly as we do. Not only are they afraid to speak up, but they have been forbidden to do so because the bill must be passed at any cost. There will be no free vote on this matter, because the existence of the government would be at stake; so the government demands that its "followers" vote for the bill.

I know government members who represent French-Canadian ridings, for instance, in the province of Quebec; they have received hundreds of protests against this bill. But they are too lazy or too cowardly to get up and say so. We are accused, we, of the Ralliement créditiste, of playing politics with this issue. Did we introduce this dreadful bill in the house? No, Mr. Speaker, we did not ask the government to introduce this bill.

• (3:50 p.m.)

Even before discussing the omnibus bill we asked that it be split. The government said no, take it or leave it. Of course, I expect that members will vote as a groups on those clauses. The government has an absolute majority, and it will have its bill adopted. However, let us not fancy that the Canadian people as a whole will accept it.

I have just come back from a tour in Western Canada I have visited Vancouver, Edmonton, Regina and Winnipeg, and received several telephone calls following radio and television broacasts from persons who termed the bill as inhuman. I know there are sick people, but in that case, there is only one thing to do, and it is to cure them.

I received a few telephone calls from homosexuals who are in favour of the bill. They did not ask me to meet them, but, they told me it was a problem for them and that if they were now caught in the act, they might lose their job.

Mr. Speaker, there might be an answer to their problem. Let us make them work longer hours and they will have less time to indulge in homosexuality. In my opinion, that would settle the problem. This legislation will not prevent them from practising homosexuality; on the contrary, it will merely sanction it.

That is why the Ralliement Créditiste strongly objects to the passing of this bill.

There are homosexuals in all classes of society. There are some even in colleges and universities. There are some even among the members of religious orders. We all know that; the fact remains that the homosexual act is still against nature, inhuman and, as I said earlier, very stupid. It is a form of "human bestiality" which is more stupid that "animal bestiality". I am convinced of it.

Mr. Speaker, the first thing to do in order to standardize human behaviour is to promote education. Instead of the CBC showing us television programs dealing with homosexuality, hippies, or people who live make a living from that, why not use the mass media such as television and the press to educate the adults?

We would thus be educating the young people who are growing up, our own children, instead of cramming their minds with the notion that at 21 they can engage in homosexual acts in all confidence.

In fact, Mr. Speaker, why not educate our youth? We refuse to spend money for education. We would be very happy to see every day, on the public network, the Minister of Justice educating the people in this respect. If he is not familiar with this field, let the Minister of National Health and Welfare (Mr. Munro) undertake this job.

Thanks to television, radio and the press we could make the people understand that homosexuality is a disease, that it is curable and that it is possible to see the light.

We appeal not to the beast but to the reason of the beast. The government does not want to do anything. From time to time on television the Minister of Justice states that his legislation will change nothing, that the situation will not deteriorate further, that from now on homosexuals will not be put in jail and that it will be very well that way.

Let me state that the situation will change because this legislation invites the young people of 15, 16 and 17 years of age to engage in homosexual acts when they reach the age of 21. Why? Because the economic conditions

which prevent them from entering into marriage, will oblige them to take their pleasure among men or among women.

Mr. Speaker, are we stupid enough to believe that man has been made for man? The good Lord created woman for man. God created man and woman; that is normal, natural and proper.

An hon. Member: It is good.

Mr. Caouette: A Liberal, Mr. Speaker, tells me it is good. He is right.

Mr. Speaker, here is our point of view: for the last three or four days, my colleagues have been objecting to the passing of this bill. People think we are bores. They say: the Ralliement créditiste delays the work of the house. But it is really quite simple, we would not delay the house if this legislation were amended, so as not to forcibly legalize homosexuality. I repeat that homosexuality is perennial. It will exist fifty years from now, as it existed fifty years ago. But that does not mean that we should legalize it, because we would be transgressing the laws of nature.

Such is my opinion of the bill before us.

Animals do not do such things and we are rational animals. Nobody will convince me that the difference between reason and absence of reason lies in homosexuality.

If that is the difference, we should be ashamed of being rational beings.

Mr. Speaker, this goes against nature. Reason is being devalorized the introduction of such a bill is based upon bestial motive.

The Ralliement créditiste will keep up its opposition to such a bill. No matter whether it lasts one week, two or three weeks or even a month, we shall do everything possible to prevent the passing of this bill. Closure alone would stop our fight against that bill which I call diabolical.

[*English*]

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I did not initially anticipate participating in this debate and certainly I will not do so unduly this afternoon. I say this for a reason advanced by members on both sides of the house during the discussion of the principles and generalities involved in this bill.

Those sections of the bill which are contentious, provocative and sensitive, dealing with abortion, lotteries and homosexuality, involve individual consciences and morality. I certainly agree with the Minister of Justice (Mr. Turner), and I do not think there is much disagreement in the house, when he states that law is not morality. Morality depends upon so many things. What you may find moral, Mr. Speaker, with your wisdom, I might find to be of another shade. Morality is an individual thing.

• (4:00 p.m.)

When this bill came before the house and the debate approached, I was bothered about whether I should speak and contribute what little I can to the debate. If it is a matter of individual conscience and a new morality about which we are talking, be it homosexuality, abortion or lotteries, to name the three main ones, I ask: Can we ever have a consensus of conscience? I thought I had seriously decided not to participate verbally in the debate but to cast my vote and explain my action to my constituents at any time they sought an explanation, and in reply to letters I have received on the various sections of the bill but, having listened to the debate in the last three or four days, some of the loose language used on both sides of the house has bothered me very much and I have decided to say a few words on the subject. We talk about conscience. Some may say that this chamber is the conscience of the nation. On the other hand, having listened to many hon. members speak in the debate it is very obvious that in trying to resolve matters as the conscience of the nation and their collective constituents they are substituting their own consciences. This is not a new problem; members of parliament have faced this dilemma many times in the past. A member knows that the stand he takes may cause irritation, conflict and division in the heartland of his support, namely, his constituency.

In trying to resolve this dilemma it occurred to me that while we talk as the conscience of the nation and try to resolve this problem with our individual consciences, we have the unfortunate situation of members on the government side, for reasons of government policy, not being able to express their own views on the various clauses of the bill. I suppose this is really why I am contributing what little I can to the debate on the clause of the bill dealing with homosexuality. In my opinion this is the most bothersome clause in the bill. The right hon. member for Prince Albert (Mr. Diefenbaker) may miss many, if not all, the votes on the bill when they are called. I have another and personal reason in this connection. In my

case, not a bust in Saskatchewan but somebody in British Columbia may be the reason for my not being in the chamber.

Mr. Turner (Ottawa-Carleton): Some day, perhaps.

Mr. Nowlan: That will be my reason for not being in the chamber when some of the votes are called. Of all the clauses in the bill, the one dealing with homosexuality gives me most concern. Except for an amendment by the hon. member for Winnipeg North Centre (Mr. Knowles) on the question of lotteries, which I think has some merit, my predisposition as of now is to vote with the government on all sections of the bill other than that dealing with homosexuality. My mind could change, because it has changed since I began listening to the debate. It started to change when I tried to resolve this dilemma of conscience.

People have been using their individual consciences in this debate. Some of my hon. friends have been attacking amendments and trying to impose their own views on others. This is a matter of individual morality, yet there has been no expression of individual morality by members on the other side even though I know they have very individual views on this matter which is not political in the sense of most normal, political issues. It is unfortunate that in an area where politics means nothing, where party labels go out the window, we have not heard expressions of individual conscience from members on both sides. If we had, we might have a more relevant appreciation of what is the real conscience of the nation on this question.

We have not yet heard a member speak in support of any form of homosexuality or lesbian conduct. Let us not forget that women are involved in this matter. This type of conduct has to be performed between two consenting adults. The only thing the chamber has heard about for the last four days is homosexuality, but let us not forget that there are lesbians in this country. This type of conduct is not normal and no one has approved of it.

Are we the conscience of the nation, representing our respective constituencies? How can we radiate that conscience when the largest block of voters, not the majority of voters, is represented by those members from the great urban areas of Canada who have not been allowed to speak? I appreciate that my hon. friends in the New Democratic party support holus-bolus the amendments in this bill. They have given us an expression of opinion. The Creditistes and many members of the Official Opposition have spoken on this question and the dialogue has been joined. We have heard expressions of opinion sincerely held.

If there was anything that brought me into the debate it was the debate of Friday last when I listened to two speeches on this provocative and emotional issue. Those two speeches will be remembered for some time by this junior member. One was the speech of the right hon. member for Prince Albert, expressed in his particular style, a style that we shall perhaps not see too much of in the house in the future because of the problems of getting elected for some 20 years in this day and age. That type of speech actually may not glorify this place, but it adds lustre to it. The other speech was that of the hon. member for York South (Mr. Lewis) who has a completely different debating style. But for once in this debate the dialogue was joined and their two views on the question of homosexuality were expressed in vivid, colourful, and in most cases logical language. Therefore, one in a dilemma could perhaps make up his mind.

I give full credit to the hon. member for York South and his ability as one of the real debaters in this chamber. However, unfortunately, in my opinion, he put forward a very specious argument. He castigated those who are against the amendment. He suggested that anyone who questions the amendment must be living in an antediluvian state. He castigated members of the opposition for their self-righteous or sanctimonious approach to the problem. In my opinion it adds nothing to this debate to use such adjectives about sincerely held views. If this amendment is passed, I could say it will introduce another, new Liberal law of licentiousness. But that is specious reasoning and I do not intend to maintain it further.

I do not think the cause of this amendment is helped when, for whatever reason, the minister of Justice refuses to admit that in effect its purport is to legalize homosexuality. The fact is that the amendment takes away a prohibition that at the present time makes this type of conduct illegal. My colleague on this side of the house who spoke before me said he was not a lawyer. I happen to be versed in the law to a degree, although not with the ability and experience of the Minister of Justice. However, I cannot understand why the minister should be specious in respect of what is in my opinion the substance

of the bill. The amendment will give legal sanction to this type of conduct, and if it gives legal sanction then, ipso facto, by implication it legalizes this type of sexual act. If I referred earlier to abortion, Mr. Speaker, that was not my intention; I am concerned now only with the aspects of the bill relating to homosexuality.

• (4:10 p.m.)

The hon. member for York South, in talking about the proposal in connection with homosexuality, stated both inside and outside the house that every progressive western country had enacted such a law. But the only two countries I have heard mentioned in this debate are Great Britain and Sweden. I am not saying we should never be among the avant-garde or that we should never lead the way, provided there is a tremendous body of public opinion behind us to show that an advance is necessary. The hon. member for Sault Ste. Marie (Mr. Murphy) told us that he got sanction for this position when he ran in the election last June. I must say I do not recall this issue as being among the election planks upon which the voters were asked to express an opinion.

The hon. member for York South told us, as I mentioned, that every advanced western country had adopted a provision along the lines proposed to this parliament. Yet the only two countries mentioned in this connection, to my knowledge, were Sweden and Britian. Frankly, I am not over-enamoured by either the social or political conduct of those countries. Surely we in Canada can map out our own lines of social conduct. We do not need to lean on those, in my opinion, weak reeds. We were not told that New Zealand, Australia or any of the states of the United States had enacted legislation along the lines now proposed to us.

During this debate many speakers have sought to justify this amendment on the ground that today we are living in a pluralistic society. This is another catch phrase which is being bandied about increasingly. It is said we cannot define standards of morality because we live in a pluralistic society. What does the phrase "pluralistic society" mean? In itself it is meaningless, rather like that other expression, "don't let the state into the bedroom"—good public relations, maybe, but nothing else. The state does enter the bedroom every time we turn on the television set in the bedroom. Programs are under state regulation, even though it may not be the kind of regulation we would like. If a man kills his wife in the bedroom the state will not remain outside.

What does "pluralistic society" mean? What kind of division does it imply? I do not care how pluralistic our society may be, or how many streams enter into it. It does not matter to me how many English-speaking, French-speaking, Greek-speaking or Italian-speaking citizens make up our society. I believe it is one Canada though it has problems, but that the plurality of the different streams contained in it makes no difference to the setting up of a philosophy of law or a concept of morality. Ever since the Judaeo-Christian concept spread through a large part of the world, western nations particularly have developed a concept of morality and a philosophy of law based on this understanding. Yet there are those who would destroy this on the ground that we live in a pluralistic society. Reasoning of this type is specious and only confuses the issue.

The hon. member for York South was quite eloquent and, at one point, almost vicious in his criticism of my right hon. friend from Prince Albert, maintaining that my right hon. friend had destroyed his credibility as a defender of civil liberties in Canada because he held an interpretation of morality different from that held by the hon. member for York South. The hon. member for York South is himself renowned as a defender of civil liberties, yet I found his contribution to this debate to be surprisingly weak.

I would remind hon. members that we shall later be considering a clause concerning the proposed breathalyzer test, something which will come closer to Canadians and involve the civil liberties of more Canadians than all this talk about homesexuality or lesbian conduct. This is an area in which civil liberties are directly involved. Yet it is private conduct. The minister shakes his head. I agree it is not private conduct when a man takes his car and gets into an accident. But we propose going much farther. As I understand the amendment, it is to be an offence if a driver refuses to take a test.

I do not say I am against such a provision. Indeed, I would be prepared to accept it. I agree that statistics have shown a definite connection between liquor and the slaughter on the highways. The law is bound to move into this area, even though it cannot put an end to drinking. But if we are logical, and if we are talking about civil liberties, here is an area of definite concern. Under the new law it will be an offence to refuse to take a test. Yet private conduct is involved, and a

driver who has taken the two or three one-ounce drinks, all that are necessary, will produce the reading of .08 which is sufficient to justify further proceedings.

I could be driving my car straight down the highway and straight into my own driveway—and it would be driven straight; I could be stepping out of the car, and a policeman could say: I suspect you came from that party at the Skyline last year during the Liberal convention and there just might have been some alcohol available there so I want to take a reading. I could tell him: I have only two steps to take before reaching my house, officer. I am glad you followed me. I did not exceed the speed limit. I did not wander over the white line. I just want to enter my house, kiss my wife and greet my children. So I shall say goodbye to you. His reply is likely to be: You cannot do that under the new law. You are committing an offence if you do not come to the police station and have a reading taken.

I am prepared to accept this restriction on my civil liberties because statistics show there is a real connection between drinking and driving. While there are no statistics to serve as a guide when we are considering the problem of homosexuality, I remind the house that no one who has spoken in the debate has approved of these practices. They have all expressed repugnance to them. If we can agree to restrict civil liberties in connection with alcohol, why cannot we take the collective opinion expressed by members of this chamber and say that, through we cannot legislate morality, surely we can help define morality and in this way give expression to the repugnance voiced by all hon. members who have spoken so far.

Members of the N.D.P. in particular have talked about justifying these proposals on sociological grounds. Reference was made to blackmail by the hon. member for Battle River (Mr. Downey). There is no reason for there to be either more blackmail or less blackmail as a result of the passing of this amendment. I recall one case in my practice of a person who was being blackmailed. But it was not because of anything in the Criminal Code. The man was being blackmailed because of his conduct—conduct which the Minister of Justice himself says is abhorrent, repugnant and immoral. Why cannot we continue to use this provision as a means of defining morality?

• (4:20 p.m.)

I am not saying that this problem should be solved by imposing legal sanction or that there should not be a clause in the bill providing that somebody found guilty of this conduct should be punished. In fact, I should like the minister to tell me whether anybody has ever been charged under this section of the code. If you have two consenting males, who is going to squeal? In any event, I am not saying that legal sanction should be the way to attack this problem. I agree with my hon. friend from Battle River that there are other avenues of approach. Perhaps we should amend the bill to provide that anybody so found guilty should be given psychiatric treatment. Let the problem be investigated so we can ascertain what is involved.

Hon. members have mentioned many aspects of this problem. Unless something is substituted for the removal of the legal sanction, you cannot help but lessen the moral stigma. I have not heard one member say that this conduct is moral. I would vote against this homosexuality clause because it does not go to the root of the problem while at the same time it removes the legal sanction against offences with respect to which there have been no prosecutions. This amendment will make for misinterpretation and, as I said, will certainly lessen the moral stigma.

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, this afternoon, we have to study amendments moved by the hon. members for Abitibi and Calgary North (Messrs. Laprise and Woolliams). Those amendments would require no debate if the Minister of Justice (Mr. Turner) had wanted to take the advice given him at the time of the introduction of this omnibus bill, when it was suggested to him to remove the clauses concerning homosexuality and abortion.

If both those clauses had been removed from this shameful bill, we would not have wasted three days protesting.

Do perverted promoters, free thinkers who tolerate homosexuals, think they justify themselves and the government of Canada, by saying that only the government is responsible for intimidating homosexuals by means of corrective justice if the act is committed in private between consenting adults? It is precisely an impure act committed with the mutual consent of participants.

We put the following question: Can the government depart from its moral responsibility to the extent of showing no concern at all for the deterioration and the disintegration of our whole social structure? And can the Canadian Government, by renouncing its responsibilities with regard to these problems, escape the blame of encouraging immorality?

Our society is a fragile, artificial creation, designed as a whole, not by natural permanent forces, but by a man-made code of morality, based on Christian ethics.

Society is strongly opposed to sodomy, as it punishes murder or theft, because it strikes at its roots, namely the family. It is nonsensical to pretend, as our legislators do, that society can do without something which affects its own existence. One might as well argue that murder, as it affects the duration of life, could be left to the individual conscience, if one admits that homosexuality, which also affects life, could also be so classified.

A resurgence of homosexuality and an increasing tolerance of its practices are unseparable from a declining civilization, are the stigmas of a decaying civilization. Being the symptom of immorality and of a serious social ill, it speeds up the disruption of the whole social structure.

In the decaying cultures of Great Britain and Europe, such a state of mind has influenced the arts and recreation, showing itself in utterly aggressive exhibitionism, under the guise of a dazzling revolution.

Literature is poisoning the mind of young Canadians and Americans, where it is making common cause with drug addicts and beatniks.

In spite of the avowed pragmatism of its supporters, the bill designed to legalize homosexuality in Canada is a menace not only to young people, to parents and families, but also to society.

To condone such repugnant and socially bad morals is to deprive this young and virile nation of its most precious heritage.

I had the chance of hearing some of his observations.

I have here a letter from the Thetford Mines chief of police. In it, he writes, and I quote:

Last April 3rd, twenty (20) chiefs of police of the Eastern townships region made a study of it—

He means the bill omnibus.

I therefore send you a list of the amendments we propose, with a view to facilitating the application of that law and to serving better the public we have the duty to protect—

[Mr. Dumont.]

We have the right to propose amendments, because the bill should never have been introduced.

They would have several amendments to propose regarding the bill omnibus, and here is what he has to say about that:

That clause 7, amending sections 147 and 149, be amended by deleting paragraph (b); that is, the words "any two persons, each of whom is twenty-one years or more of age".

• (4:30 p.m.)

We are asked, in the light of the findings of serious studies made by police chiefs, to strike out those words at least, because this bill which, in our opinion, should not be passed, is now at a stage where we can only move amendments. Therefore, I ask the movers of this legislation to seriously consider the findings of those studies.

Moreover, I know that the conscience of several hon. members is being tortured these days. That of the Minister of Justice is, because he must go on defending his bill. He would have preferred to amend it but because of his party's tyranny, he must toe the line.

We have talked with several government members and I wonder why they hesitate so much to express their opinion freely in this house because some of them say that they would like to be allowed to vote according to their conscience.

In expressing such an opinion, they sometimes give the impression that they vote without considering their conscience and they are forced to submit to the guidelines of the party. In the presence of such obstinacy on the part of the government that takes decisions and forces government members to comply with them without a word, we are justified in asking ourselves whether there is not something hidden in that bill that nobody wants.

In fact, I do not see why, if it is so sure of the quality of its legislation, the government would not trust its members. If they consider the bill adequate and consistent with their conscience, they would not object to it and the Minister of Justice would be well advised to clarify things in that matter, if only to ease the conscience of those poor members who are forced to obey without a word.

In the field of homosexuality it must be kept in mind that even today, when two homosexuals want to commit such acts privately, nobody will denounce them and no sentence will be passed on them. It is only when one of them has a grievance that he will be able to lodge a complaint.

And if one of them is not consenting, the omnibus bill will not apply. Therefore, the omnibus bill does not bring anything constructive in the field of homosexuality. At best, it will create a climate of doubt and uncertainty, which will protect the active pervert and guilty homosexual. He will be the only one to lose by it and if there is no consent, I cannot see why we are being led to believe that this bill is going to change anything.

I think we are now at the cross-roads of history. And we, Canadians, should look back on the past, at the way our ancestors lived and ask ourselves whether the latter would not think we have indeed departed from the most sacred principles of our faith, if they could hear us now discussing this bill.

I am sure they are ashamed of us and that if we continue to give in, they will raise from their tombs, to put us back in the path of honour. Let us not put out the torch of faith which they passed on to us, at the cost of so many sacrifices and of so much blood. I believe that a nation which fails to remember is a dying nation, because one never builds the future of a country by disowning its history.

I cannot understand how one could be justified in voting for this bill. We must at least adopt those amendments and I am urging every one of our leaders to express their views since we are responsible for the well-being of our people and are able to do what is necessary in order to preserve moral values while there is still time.

I say: Let us not allow the morality of our people to deteriorate, let us not allow such evil depravity through legislation.

Therefore, I appeal to the Minister of Justice to amend this bill on homosexuality, if he wants Canada to remain the country which has produced so many valuable things.

Mr. C.-A. Gauthier (Roberval): Mr. Speaker, I also want to express my opinion and support the amendments moved by the hon. members for Abitibi and Calgary North (Messrs. Laprise and Woolliams).

I believe it will be a historical day for Canadians in general, if this bill is passed, because it seems to me that morals in this country will be rather debased.

Mr. Speaker, as a member of the committee on agriculture, I made a trip to the western provinces. Having seen all the work done to raise cattle of the highest quality, through better cross-breeding, we are coming back to parliament most pleased with our trip, only to deal with a matter that is so much against nature as cross-breeding between men and between women, and that leads me to say the next generation will not be worth much. No western farmer will vote for such cross-breeding. Having heard what we were told in the west about the qualifications pertaining to males and females, I believe that our reasonable Canadian race is becoming a race of poor quality.

Mr. Speaker I really feel sorry as I rise to take part in this debate this afternoon, because, along with my colleagues, I strongly opposed that bill on its introduction by the present Prime Minister, and we have kept asking that the whole matter be not put together in the same package so that Canadian Christian Catholics will not be forced to pocket such an affront, because they still believe in morals, even human morals. We have always asked the present Prime Minister to split up the bill, but we were refused.

When the justice portfolio changed hands, we felt happy, for we trusted the present minister more than the former one, since we are aware of his stubbornness. We hoped that the present minister of Justice, who is a father and has moral principles, would simply strike out these two clauses from the omnibus bill; but we realize in great despair that the head of the Department of Justice is actually not the present minister but the Prime Minister, who still exerts dictatorial authority over it. The minister has been unable to change the least thing in that famous bill initiated by the Prime Minister.

• (4:40 p.m.)

Mr. Speaker, I have no desire to crush the Minister of Justice. In fact, I am sorry for him, and if it were possible to weep for him I think that many hon. members would do it today. It seems to me that because of this party dictatorship which muzzles all cabinet members this clause will pass automatically since this is a majority government.

That is why in campaigning throughout the country the Liberal party said: give us an absolute majority and you will see how we shall govern. They won an absolute majority but I think the people will repent bitterly for the rest of their life.

When such filth is brought before us—and I call that filth without wince—I think that acts so much against nature should not even be discussed by any self-respecting government.

But what can be done? This matter has to be dealt with since it has been brought before the house. They do not want to let it go. Here is a small bundle of rot which they do not want to part with. They want others to taste it.

Mr. Speaker, I think that the first one who is going to try to have me taste it, will be putting his life in danger. Yet other members must have received letters of protest since I have received some myself—over 1,500 of my electors asked me to object and to try to get these two clauses at least deleted.

But the cabinet members will not speak. It looks as if they have not received any letter. However, I have read rather eloquent reports in the newspapers. I shall not speak of letters I have received from my ridings since they will say that I have indoctrinated my electors.

I have collected some letters and statements published in newspapers outside my constituency which anyone can read. One of those articles was entitled: "Letter to the member of parliament" and had been sent by the Association of graduate nurses of Saint-Henri, Lévis constituency. The hon. member for Lévis has certainly received some protests. This is what the article says:

As for homosexuals, it is possible that some of them are suffering from mental illness which the state must detect and cure, but it is not the majority. You know quite well, the more the law will be permissive in that respect, the more corrupters there will be who will endeavour to take our youth along the road to perdition and moral depravity.

If druggists were authorized to sell to anyone, without prescription, heroin, marijuana, etc... would there be fewer or more drug addicts? The answer is clear, is it not? If all obstacles are removed, vices and crimes will spread more than ever.

One must not forget that sodomy was the direct cause of the destruction of Sodom and Gomorrha and that the decay of morals in ancient Rome led to the fall of the Roman Empire. Every day, one can increasingly note the fast decay of morals in North America, the disintegration of the family, the increasing ease with which one can get a divorce, the surrender of the citizens, parents and even elected representatives before their most essential duties—

I think that this nurse knew that her member of parliament was a Liberal.

The letter goes on:

—we ask ourselves in terror if the hand of God will not weigh heavy on us, as it did on Europe through two horrible wars within fifty years.

In the name of heaven, stand up and unite with all French-Canadian and English-Canadian members of parliament, whether they be Catholic or Christian against those iniquitous laws, because the law of God must prevail over partisan or government solidarity, public and individual interests.

You may rest assured that all the people, particularly in the province of Quebec, will think more highly of you.

It is signed:

R.S.D., registered nurse
Saint-Henri,
Lévis County

I believe in the riding of Lévis there has certainly been some opposition. The letter I read did not come from my constituency or that of Lapointe, but from the riding of Lévis.

Mr. Marceau: No.

Mr. Gauthier: The hon. member for Lapointe says he did not receive any letter. His constituents are intelligent; I find it strange that they have not yet found his address.

Now, Mr. Speaker, we would like to hear government members state their reasons for endorsing the bill. Then, we could show the transcript of their speeches to their electors and tell them: that is what they think. But there is no way of knowing, because they remain silent.

Mr. Speaker, I have before me a document prepared by *La Ligue des citoyens et propriétaires de Boucherville* which takes exception to the bill on homosexuality. The member for Boucherville must have received it even though his electors may not know his address. (*Laughter*) In case he has not found the time to read it, I am going to do so, and I quote:

Please find herewith copy of a letter sent to Canada's Prime Minister, Mr. L. B. Pearson, and to members of the House of Commons—

Mr. Pearson is mentioned because the present Prime Minister was then Minister of Justice. The letter goes on:

La Ligue des citoyens et propriétaires de Boucherville Inc. has decided, during a regular meeting, to advise the House of Commons that they object to the bill on homosexuality.

It has been resolved that matters of a much more urgent nature were pressing the members of parliament than legislation on sexual offences committed by perverted persons. We feel that it is much more urgent to look after normal citizens which form a majority than to pass legislations for a small, albeit influent group, in order to legalize acts against nature.

Mr. Speaker, I wish to point out that I do not quote this article because the member concerned is here but rather because I came across it by chance. I do not want him to think that I hold any grudge against him because I

quote articles that have been published in his constituency. As a matter of fact, I hold him in high esteem and there are many respectable people in his constituency.

We respectfully submit that parliament should deal rather with the housing problem and the homeowners' situation—

I simply wish to advise their M.P. that they categorically object to homosexuality as well as to other provisions of the omnibus bill.

• (4:50 p.m.)

I have before me a very important article —but time will not permit me to read it all— dealing with homosexuality, when it was discussed in England. So, as many like to follow in England's footsteps, I shall quote part of the article.

The lesson taught to the provincial Liberal party will have been useless! This catchall proposal, where the good and the horrible are found side by side (no doubt this is a trick to have the whole package approved) will turn into a second harakiri for the Liberals... Too bad!

To induce and help reflection, other than the one-way consideration given the matter by the three guests on the program "AUJOURD'HUI" on the CBC's French network, on December 27, I would like to summarize two articles; the first, dealing with homosexuality, was written by Raymond Lacoste and published in Carrefour (Paris) when the British Parliament was debating a legislative proposal that has now become law, and the second, dealing with abortion, being a study made by the High Committee on Population and Family of France.

To legalize homosexuality?

On February 11 last, the British Parliament adopted a legislative proposal legalizing homosexuality. Raymond Lacoste, a Parisian journalist, comments—

The debate has brought to light the seriousness of the problem. There are from 50 to 60 million unnatural acts committed each year. The number of sexual crimes which, in 1939, stood at 5,000 per year, reached, in 1964, 20,000; during the same period and later—

Statistics are given—

23,470 while criminal offences reached a total of 303,000 to—

I do not know if an investigation was being carried out in the bedrooms, but apparently, there was some accounting made of all such things!

I continue:

An honest Labour member, Mr. Tommy, went on to say: I protest against the tone of alleged intellectual superiority adopted by the supporters of the bill. What they are asking, in a word, is that we give approval to male prostitution, when, a few years ago, parliament dealt severely with female prostitutes and gave chase to call-girls. Today, through some strange mental aberration, British legislators are showing more indulgence for acts against nature than for acts that, although sinful, are after all normal!

Raymond Lacoste goes on in some grimly humourous way which should make us cry instead of laugh:

"Grave" consideration was the order of the day during the debates. Needless to say that, when the vote was taken, the beautiful young men with mascaraed eyes who filled the galleries broke into applause so great was their joy!

The defenders of the dear boys put forward all sorts of arguments... Very soberly, Mr. Wood stated that homosexuality does not carry with it the risk of illegitimate births! Why send an uranist to prison? Is that not the same as condemning a Don Juan to a few years in a harem? (This argument put forward by Mr. Absi, a member, gave rise to laughter among his colleagues.)

There were strong objections to the bill. Some speakers showed the nonsense of a system which will authorize men of 21 years of age to commit an act while punishing individuals 20 years and 10 months old. But the promoters of the legislation insisted that there was no reason to deal more harshly with homosexuals than with lesbians who have their own club. They are spared by the British law. Many speakers emphasized the nature of complete demoralization caused by the gidian vice and its damage to society.

Mr. Speaker: Order. I am sorry to interrupt the hon. member but his time is expired.

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty, pursuant to Standing Order 40, to inform the house that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Brandon-Souris (Mr. Dinsdale)—Canada Council—Grant to Stanley Gray, request for investigation of political activities; the hon. member for Selkirk (Mr. Schreyer)—Air Canada—Winnipeg—Transfer of base to Northwest Industries Limited; the hon. member for Abitibi (Mr. Laprise)—Canada Council—Grant to Stanley Gray.

GOVERNMENT ORDERS

CRIMINAL CODE

REPORT STAGE

The house resumed consideration of Bill C-150, to amend the Criminal Code, the

Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs, and the motion of Mr. McQuaid (for Mr. Woolliams):

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by inserting in clause 7, after the word "age" on line 9, page 24, the following words: "except as to bestiality and carnal copulation with a beast."

• (5:00 p.m.)

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, I take pleasure in participating in this debate because of its great importance. However many members and some ministers consider it of little importance. This vital question is related to another moral issue which affects the existence of men and the respect they command in society.

Mr. Speaker, if our Prime Minister (Mr. Trudeau) and the Minister of Finance (Mr. Benson) are stupid enough to introduce legislation as bad and as indecent as this one, they should be expelled from parliament. This is no ordinary legislation which we are now considering, but degrading legislation which will lead our nation to suicide.

Knowledgeable people like the Minister of Justice and the Prime Minister have the nerve to introduce a piece of legislation as indecent and as degrading as this one. Mr. Speaker, we cannot find words harsh enough to describe there criminal actions which we are about to allow.

Mr. Speaker, this is what we are doing now. Here is patent evidence of irresponsibility on the part of the Liberal members. They will pay dearly for their mistakes. Someone will have to pay for all that. We have no right to impose upon the nation such legislation. It is immoral, unchristian, antisocial, inhuman and against anything you want.

All Liberal members are in favour of that. The Leader of the Opposition (Mr. Stanfield) as well as a great many opposition members favour the passing of this bill. They consider themselves as saviours of the people. According to them, they promote the establishment of a just society. At the moment we are really degrading society. That is what we are doing. That is what the Liberals, the Progressive Conservatives and the NDP members are doing now. Somebody will pay for all that. Such social injustice cannot last any longer. Somebody will pay because justice will follow its course. This degrading legislation will lead many individuals to destruction. They will lose their freedom, their personal identity, respect for others if they abase themselves so far as to commit such indecent acts. On account of this disreputable legislation, many citizens will lose their moral sense. The permanent stains on people's conscience are caused by the commission of those inhumane acts on account of the passing of those corrupting measures. The passing of such immoral, diabolical, corrupting and rotten measures will turn everything into muck under the nose of those who advocate them and share the opinions of those who are already in such situations and think it smells nice.

We are abusing the confidence of the society we should reform, which gave us the power to administer it, to lead it in the right direction and the necessary authority to provide it with real freedom, so that it may become a just society, a stainless, uncorrupted, pure society. We are not attending to our duty. We are degrading society because we do not want to assume our responsibilities. Some prefer to be led by partisanship.

I have here, Mr. Speaker, a letter I would like to read to the house. It was sent by a citizen of my constituency. Some members may say they did not get anything from their fellow-citizens in that regard, because the latter know that those members will not object to the passing of this bill.

As for me, Mr. Speaker, people know I am opposed to it. I have in my office more than 1,000 letters that were sent to me. I am going to read one of them. All the people writing to me beg me to stand against the legalization of such acts of barbarism.

In fact, I should like to table all those letters I received, if I were allowed to do so. The citizens also tell me I can give their names. As a matter of fact, one of them says in his letter he is not afraid of showing his convictions. He is a great man, a great Christian. I quote:

If I had to vote—

—on this bill, I would vote against it, since the Prime Minister does not want to split it up into several parts. However, there are certainly many good things in this bill; but since the wheat has been mixed voluntarily with the tares, when

it would be so easy to separate them, in conscience, I would have to vote against it.

Incidentally, by refusing to split up this bill into several parts, the Prime Minister violates—

—the Minister of Justice also.

—the conscience of his members; they have to choose between their conscience and their loyalty to the party.

I fear very much that within the Liberal party especially, the cowardice

—of the Liberals...

—in front of a Prime Minister who notoriously abuses his authority by failing to respect the conscience of his members, partisanship, and party loyalty will prevail over the duty of conscience. If several Liberal members were brave enough to say frankly to the Prime Minister: "Split up your bill into several parts and you let the members free to vote according to their conscience, or we shall vote against this bill, even if the government is defeated.

We will rather follow the demands of our conscience than those of party solidarity. I am certain that the Prime Minister would then give in. But I doubt very much that there is now in Ottawa, in the Liberal party, a sufficient number of courageous men to succeed in this.

This is what my constituents write me. The government members do not speak of it because they fear that they would never have the courage to express in the house the thinking of their constituents.

The author of the letter also talks of abortion. I will not speak of it, but I will just continue quoting the letter:

As for homosexuality, the state, in the words of Mr. Trudeau himself, wants by this bill to declare itself—incompetent to go into the bedrooms and judge the acts that are taking place there.

There is nothing to object to that except that the State should not allow bedroom privacy to be brought into the limelight.

That is what the passage of this infamous bill will cause to happen: public misbehaviour. And the minister will assume a heavy responsibility, if he refuses to split up and improve this odious bill. I go on quoting:

In short, if this bill legalizing abortion and homosexuality, is passed, public morality will be further degraded.

Is this man right? I shall not disclose his name, but he is a priest.

Mr. Speaker, all the letters I have received are along the same lines. Are people better in my constituency than in those of government members? If the sectors of the government members or of the Conservative members who are going to pass this bill do not protest, it is perhaps because they are all corrupt also. There is corruption everywhere. Mr. Speaker, except in my constituency, where it is nonexistent, and I have just proved it.

So, through this corrupting measure, this stinking measure, as I called it before, we are degrading even more the society that we should make healthier. We are encouraging it to commit those criminal acts. It is an alarming, a shocking and a dreadful situation when people shun their responsibilities, prefer corruption and to run to seed rather than assume their responsibilities.

We should, on the contrary, fight this corruption, this barbarous and unconceivable degradation of the human person, because there is nothing greater or nobler than the human person.

The State should pass salvation laws, moral laws, and educate moralists. In order to heal this dreadful disease of society instead of keeping on corrupting it.

The legislation before us is an odious measure that will bring to their doom countless men who will become devoid of any conscience and any respect for the law. This loathsome law will lead to the degradation of our people and will have a serious impact on the future generations.

• (5:10 p.m.)

We should do our utmost to prevent this bill from being passed, with a view to making our human society more wholesome, a place where men respect each other mutually. Indeed, they are entitled to wholesome, human and social laws. That is the type of laws we should pass, and not scandalous ones that will plunge our Canadian people into a disastrous situation.

Mr. Speaker, I shall bring my remarks to a close by reminding the Minister of Justice that it is still time to divide the bill; in fact he should substitute to it a more Christian, social and moral law. Then, we could in conscience vote for a human just and moral legislative measure.

I therefore ask the minister to withdraw his bill if he refuses to divide it in order to allow the members to pass such articles as may help society; otherwise, we will have to vote against it. But those who support this bill will bear the responsibility even to their grave.

[*English*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, as expressed by the hon. member for Annapolis Valley (Mr. Nowlan), I believe

we are now dealing with one series of amendments in respect of one subject matter which has probably given me as much concern as any of the others. Unlike that hon. member, I am not going to say I will be only a few minutes. I intend to take my full 20 minutes and anything less than that I consider as a gift to hon. members.

The hon. member for Compton (Mr. Latulippe) referred to the Prime Minister (Mr. Trudeau) and read a letter in which it was suggested that the Prime Minister had committed rape by this bill. I must say that I cannot accept that idea. Let me suggest rather that in the month of June last year there was a seduction of the people of Canada and, unfortunately, most of them relaxed and enjoyed it. However, that is beside the point.

Let me say at once that I will be supporting some of the amendments brought in by hon. members on this side of the house. My reasons for exercising this judgment in support of these amendments are in many cases entirely different from those advanced by other hon. members. That being so, I wish to dissociate myself from many of the statements that have been made, but in doing so I am not placing myself on a different or higher level than those hon. members, many of whom spoke with very deeply held convictions, sincerity and emotion. I approach this matter from an entirely different point of view and will vote for these amendments on a different basis.

I think this approach is entirely immaterial in that I believe the amendments will not pass because, as someone has said, of the strange, uncanny and intuitive thinking that members supporting the government have in arriving at the same conclusion as a result of independent thoughts and positions. I am sure they will support the bill in its entirety and vote against these amendments. This is one of those situations we observe from time to time. So far as I am concerned there are other aspects which must be considered. When we get to third reading I intend to support the bill, and I have no doubt at all that these amendments will not pass.

I supported the bill on second reading with reservations. I did not intend to take the opportunity of speaking now but changed my mind because of certain statements made by those who will probably vote in the same way I intend to vote. This makes it essential for me to distinguish my reasons to at least some extent from theirs. I am sure the bill will pass and will receive third reading. I am now, *a priori*, guessing what will happen, and I see the Minister of Justice agrees with me.

Before going on I should like to say I am glad to note that my friends on the left in the Ralliement Creditiste have spoken at length with considerable expertise on this subject. I am not disparaging their efforts or or their capacity for debate which I regard very highly. We have known for some time that they have possessed expertise in matters concerning financial reform and the Bank of Canada. I am glad to see that they have now developed a second string to their bow.

I have been disappointed by this debate not as to the quality of speeches but because of the failure on the part of hon. members to advance a line of reasoning which goes to the issue, their failure to bring the searchlight of reason to bear on factual considerations and the apparent inability to grasp the nettle and join issue. This is particularly applicable to the government which, after all, having come here to make a change, have an onus to discharge. Let us never forget this. When the government introduces a measure dealing with an issue so complicated, complex and interwoven with our whole social and moral structure over a thousand years there is a heavy onus and burden upon them. Personally I do not think they have discharged that onus completely, although it is not for that reason I intend to vote as I have indicated. I simply point out to those hon. members that this is a very heavy and responsible onus which they must consider carefully as members of this house.

Let me stress the fact that it is the situation within Canada to which we must give consideration because our writ lies only in Canada. What is done in the United States, the United Kingdom and France is something entirely different. What other countries do or refrain from doing should be considered and analysed carefully, but this does not constitute a binding declaration for us, particularly in the case of the United Kingdom.

I have read with great care the Wolfenden report. I read it a number of years ago when it first came out. I have also followed with great interest the course of proceedings in that country. It is a very powerful report and, indeed, no person could dare neglect it. No person who is a member of a legislative body with competence to consider the issue could avoid a careful study and analysis of this report. It contains compelling and persuasive statements which I for one would not

ignore or forget. However, it must be carefully studied and examined within the geographical confines and limitations of a certain country. It is for us to consider but it should not be binding on us.

Let me refer plainly to some of the reasons advanced by the government in support of the bill. The first is the suggestion that any change is good, or that any direction in which the government moves must be the right direction. We hear this idea suggested on many occasions these days. Certainly we must change and press forward with alterations and improvements, but a change merely for the sake of change is not good enough. I suppose I am not making unworthy charges against the government because members of the government are in public life and must look to the public and try to show they are alive. My feeling is that much of the zeal and fervour shown by government members for this measure stems from the fact that it takes a new look at our social problems rather than a clear look and therefore they must be in the forefront in support of change and improvement. I think the hon. member for York South (Mr. Lewis) made such a reference. It is not good enough to suggest that we must change unless the people come to the firm conclusion that the change is essential and for the good of all. The government cannot make such a change on the basis of having a mandate. I suppose that in a very general and vague way the government does have a weak case because this bill was exposed very shortly before the election and it might well be said to have been thrown into the various election issues. But I would like to guarantee that no member of the Liberal party or of any other party nailed a sign to his campaign headquarters saying, "We stand for the legalization of homosexuality to all or some extent". I know that the minister does not like the word "legalization" in this context. However, I would like to undertake that nobody said, "Let us think of this in terms of economics. Let us advertise Canada as being the haven of homosexuals". I would ask any member sitting opposite who campaigned in June of 1968 whether he made his campaign literature sound like that in terms of this area of the Criminal Code. If he did so, I would like him to stand up and disclose that he did. I would be very surprised if he did so, but I doubt very much that this will happen.

• (5:20 p.m.)

Some members on the government side and even in the N.D.P. have lauded the minister. In fact, I heard the hon. member for Broadview (Mr. Gilbert) praise the minister and I was quite astounded; it amounted almost to a canonization.

Some hon. Members: Hear, hear.

Mr. Baldwin: As a matter of fact, that day—I think it was Friday—I went outside, gazed at the river and expected to see the minister come walking across the water at any time. Then I suddenly remembered that the government already has one water-walker and only one is allowed in that party at any one time, even though the one they have is not doing very well and has fallen flat on his face in the water on many occasions.

We have had some discussion about the word "legalization". I recall reading the statement the minister made to the committee when he read from the Wolfenden report which used that word. The writer of the report had said that it in fact contained recommendations which would legalize homosexuality. I know that the minister stopped there and took exception. He was very careful to make his point at that time.

When you have a sanction, a prohibition with a penalty attached with regard to a great many of the acts of individual people in a society and you remove that sanction and penalty even to a limited extent, it constitutes legalization; it is the placing of the seal of approval in that limited sense. I think the minister was playing with words when he tried to get away from this.

Mr. Turner (Ottawa-Carleton): Even your leader did not go that far.

Mr. Baldwin: We come back to this question: Is our society as we know it, as we apprehend it, as we see it in Canada, ready at this time to accept changes such as are envisaged in this amendment? In this regard let us bear in mind that the change was not such a simple and quick one in the United Kingdom. If I recollect correctly, the Wolfenden commission was established in 1954. It sat for 2½ years and made its report in 1957. It took from 1957 to 1967, a period of ten years, for the legislation which ultimately was enacted and now stands upon the statute books of that country to be brought about. Surprisingly enough, such legislation was introduced throughout by private members. I think the final bill was brought in by Mr. Leonard Abse in 1967 in the House of Commons. I stand to be corrected on that. In 1965 or 1966 Mr. Humphrey Berkley introduced a

similar measure, but it was defeated. It took a period of gestation, which is a good word to use in connection with this bill, of some 13 years from the time the commission was originally established until the legislation was finally passed. It was a very well written report and its recommendations finally became the law of that country. Let us remember that it is a country different from ours. It has different mores, different social approaches, a different history and a different population in many respects.

I have no doubt that the officials in the minister's department have been considering this problem for some time, ever since the Wolfenden report and probably even earlier. About a year and a half ago there was a case which received a considerable amount of publicity in Canada. It concerned a person who was declared an habitual criminal because he had committed a third, fourth or fifth offence under the Criminal Code and had been convicted of this type of act. Arising from that the government, without what I consider to be adequate preparation and deep and proper study of the subject, added this amendment to the omnibus changes to the Criminal Code, which was then awaiting legislative approval, and brought the bill forward last year.

We have heard a great deal of talk about a pluralistic society. How pluralistic are we to become? Are we to have a set of rules for every small group? "Pluralistic society" is a silly phrase and means nothing. Of course we must adapt and modify our approach to social and criminal problems on the basis not of 90 per cent or 95 per cent of the population but much smaller divisions. But if we take this pluralistic society attitude and apply the *reductio ad absurdum* rule we will have a law for every person. What kind of anarchy would we then have?

Phrases such as "pluralistic society", coupled with glib cliches such as we must take the state out of the bedrooms of the nation, that sin is not necessarily a crime, and something may be morally wrong but not legally wrong, are frivolous, kindergarten slogans. They have been picked up to some extent and used by the news media. This drivel has been peddled all over the country.

I do not think a great many people have yet appreciated what is involved in this question. Unfortunately, under our rules today and the way we have approached this problem, I cannot make the kind of amendment I would like to make; the kind of amendment I would like to make is denied me. I would like to place a moratorium on prosecutions under the legislation presently in the code for a limited period of two or three years. We all know that the number of prosecutions and convictions which have taken place in this connection is minimal. I have here a book published within the last few months entitled "Sexual Deviations in the Criminal Law", written by Alex. K. Gigeroff. This book makes worth-while reading for anyone who takes seriously his duties in this regard. The author conducted a study, in conjunction with another professor, of cases of gross indecency in a 12-month period in the city of Toronto. It was found that out of the 60 cases studied, 59 would not have been covered by this legislation. One case was in some doubt.

Mr. Stanfield: They would have been guilty, anyway.

• (5:30 p.m.)

Mr. Baldwin: Yes, they would have been guilty, anyway. This is the point I make. It covers a very small change. We are probably saying we shall take what has been the status quo and give it legal effect. I fear that by doing so we shall be setting this whole messy problem to one side and forgetting about it for the next 20 years. Had the rules permitted I should like to have proposed, instead, a moratorium on prosecutions and a thorough study of all the issues involved in order that the public might be given an opportunity to direct its attention to these social difficulties, after which the government could produce a number of suggestions dealing not only with the extent to which prosecutions should be launched but with the wider implications—the sociological aspects, the possibility of clinical study and treatment, and so on.

As a matter of fact, I think these sections should be out of the Criminal Code altogether. These matters might well be dealt with by way of special legislation brought into being, probably, only after the closest consultation with the provinces which, from the viewpoint of health and social implications, must have a great interest in the subject matter. It is only when society as a whole has come to accept that certain actions are repugnant or contrary to the usual mores that they can be made criminal offences or vice versa. If we look back to the period of Cromwell, we find that card playing, dancing on Sundays, being intoxicated and so on were all criminal offences. In due course public opinion changed, and these things were no longer considered to be crimes. In the last year of

the first world war, because of the need of the allies for industrial alcohol—

Mr. Deputy Speaker: Order. I have to interrupt the hon. member, his time having expired.

Some hon. Members: Continue.

Mr. Baldwin: It is a wonderful thing how quickly 20 minutes passes. I shall be very brief. I shall allow the hon. member who is to follow me time in which to complete his speech by six o'clock.

In 1918, changes were made resulting in complete prohibition. Only in the last few years has public opinion pushed governments into returning to a reasonable and sensible approach. Generally, changes made coincide with current thought.

I do not think the government is doing the right thing now. I do not think the course it proposes will have any real effect or be of lasting benefit. I intend to vote for the amendment which would maintain the law in its present form. Possibly the minister will tell me that careful analysis and study of this problem will not end with the passage of the legislation before us. We should consider the whole problem, not just one aspect of it. Before too long has passed the people as a whole should be given an opportunity to study its implications, reach a determination and decide in their infinite wisdom what should be prohibited and what should not. They can only do so if a fair and reasonable opportunity is afforded for an analysis of this problem, after which they could make their representations. For this reason, I intend to vote for the amendment, though when the bill comes to us again I shall vote for it on third reading.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I sat on the committee on justice and legal affairs which studied this bill very closely and made some amendments to it.

A few members of the opposition have carefully examined the bill to make some amendments to it and to prepare a report that we will be asked to adopt in a few days.

I should like to congratulate one government member, the hon. member for New Westminster (Mr. Hogarth), who did a very serious job within the committee and whose interventions certainly helped clear up some problems. Several hon. members have already made strong statements about those amendments. I agree with them, even if I do not use such drastic terms as theirs, for I must, all the same, make my representations. Homosexuality and gross indecency which are the subjects that we must study now are loathsome to me as they are to most of the members who sit on the committee and to most other hon. members.

Last week, I had the opportunity to get in touch with the English provinces of Canada, where I met several Canadians of various religions. I was surprised to find out that the Catholics in Quebec are not the only ones who object to the omnibus bill. On my return, during a discussion with some people, I read in *Le Devoir* under the heading "letters to the editor", a letter concerning the omnibus bill and written by a citizen of the town of Richelieu in the constituency of the whip of the Liberal party. In that letter, dated February 22, 1969 and signed by Mr. Hilaire Jeannotte, the author recognizes what I could check, during my trip, that 92 per cent of Canadians are Catholic or Protestant, that 92 per cent believe in God and in the Bible and today hon. members are responsible for the morals of 92 per cent of those Canadians who rely on morality rules. But this same Bible in which 92 per cent of the people of this country believe has condemned what we are trying to legalize today. That is why I find it hard to understand some of my fellow Canadians, my colleagues in this house, even some from the province of Quebec, such as the member for Trois-Rivières (Mr. Mongrain), who has some constituents asking themselves some serious questions as to his moral principles. Is he for a morality where anything goes or a morality in accordance with the principles of his constituents? There is also the member for Lévis (Mr. Guay)—

Mr. J. A. Mongrain (Trois-Rivières): I rise on a point of privilege Mr. Speaker. I suggest to the hon. member that he has enough problems in his own constituency. I can take care of those in my constituency. On the other hand, the people of Trois-Rivières can think for themselves. The hon. member is talking through his hat about the Trois-Rivières constituency.

Mr. Rondeau: Mr. Speaker, we finally succeeded in getting the hon. member for Trois-Rivières to rise. I wish he could do it more often.

Mr. Mongrain: I rise again on a point of privilege, Mr. Speaker. When the hon. member was touring the West last week, I

expressed views I got from Catholic theologians from Laval University.

Mr. André Fortin (Lotbinière): On a point of privilege, Mr. Speaker.

• (5:40 p.m.)

[*English*]

Mr. Deputy Speaker: Order, please. The points raised hardly constitute a question of privilege. I would caution hon. members against raising questions of privilege on every point of grievance. I shall, of course, hear the hon. member, but I wonder how far we should proceed in this way.

[*Translation*]

Mr. Fortin: Mr. Speaker. I admit that there are perhaps no grounds for a question of privilege, but when the hon. member for Trois-Rivières says that he attends to the affairs of his constituency and that he is not interested in the orders, I might remind him that he said last week that he had visited the constituency of Champlain. And so, I think he should be more consistent in his statements.

[*English*]

Mr. Deputy Speaker: Order, please.

[*Translation*]

Mr. Rondeau: Mr. Speaker, I did not intend to attack the hon. member for Trois-Rivières on that point only. I have noticed however that he seldom speaks on anything but the Ralliement creditiste. One wonders if he is short of subjects to speak on or if his constituents elected him solely to speak on the Ralliement creditiste in the house.

I would like to mention another member, the hon. member for Lévis, who is absent today, and whose constituents are beginning to realize that it is no joke to have a representative who never gets up in the house to express his opinion, particularly on an important bill like the one before us which concerns every individual and which will concern them even more in the future.

One can laugh; it is easy. One has only to do what the hon. member for Trois-Rivières does so often: he spreads a smile across his face and stares at the other hon. members. Nothing is so easy as making fun of someone else, for it takes much less intelligence to make fun of something than to try to understand it. The reason why the hon. member for Trois-Rivières has always laughed at the members of the Railliement creditiste, is that it is easier for him to do than to try and understand them.

[Mr. Mongrain.]

Mr. Speaker, I am glad to come back to the problem before us. I was saying that the same feelings which are found in Quebec are also found in the other provinces. What counts is the population as a whole, the average citizen.

Now the population of Canada as a whole is presently against the legislation before us, which was first conceived and introduced in England. And now, inspired by colonialism, we are wont to copy a law which England has already adopted.

In the letter I referred to a few minutes ago, it was said:

> It is a fact that England has just broaden its legislation concerning abortion and indecent acts. But why imitate the worse things done by this former mother country? Why such a miserable spirit of colonialism?

I come back to the figures I have just mentioned.

> —According to the Gallup poll of January 15, 1969, 92 per cent of Canadians are Catholic or Protestant, that is they believe in God.

—and in the Bible.

> We cannot insult that great majority by passing such a degrading legislation.

The hon. member for Compton (Mr. Latulippe) allowed himself to be carried away in denouncing this legislation. I fully agree with him, because we should not open the door to immorality. We are here to pass legislation and enforce the respect of the human being.

When the primary purpose of a legislation is not the respect of the human being, we must not stand for it. We are not here to protect animals and destroy human beings. We are here to protect humanity and human morality.

In this pluralistic society; obscenity, indecency, lewdness saturate our newspapers and our national television with publicity that is not human but rather bestial—

Today, we have come to the point where it seems the Prime Minister has been elected to put into practice a play-boy philosophy, a philosophy of human stupidity, in short a disgraceful and sad philosophy.

Mr. Speaker, some say that homosexuality is a disease. Everybody does not agree yet on that.

Some members must certainly have known pyromaniacs whose tendancy is to set fire. There is nothing wrong with being a pyromaniac as such, but when a pyromaniac commits a criminal act, when he sets fire somewhere,

the law provides punishment. Therefore, what is criminal? It is not the fact of being a pyromaniac, but the fact of setting fire.

To be a homosexual is not a crime, but the act of homosexuality which constitutes a danger for public morals is, as yet, I think, a criminal act, because the government, our scholars people and our play-boys have not yet proved to us that it is only an illness.

We are here to pass laws that will protect human beings as well as the future of the nation and of our children.

On page 8 of the brief submitted by the Minister of Justice, there is a press release dated March 15, 1968, which reads in part, and I quote:

In respect of acts of gross indecency, the introduction must not be—

And here, the minister begins to have self-doubts and to question his own legislation. He continues:

The introduction of these amendments must not be interpreted in any way as leniency towards this type of behaviour. Parliament has not, for example, made an offense as such of adultery, fornication or even prostitution, but it would surely be wrong to maintain that in so doing, Parliament approves or condones this type of thing.

Now, the Minister of Justice has expressed a doubt as to whether the changes made to the Criminal Code indicate a sort of tolerance towards homosexuals. He says that they are not dangerous people.

Mr. Speaker, since we shall give free play to immorality in adopting the bill before us, we shall be faced with increasing immorality. Be they sick or vicious people, we shall have more homosexuals from now on, for they will no more have reasons to fear.

Here, I wish to refer to the Prime Minister's statement on which several of us have pondered, that is that the government has no business in bedrooms.

[*English*]

Should the police be kept out of our bedrooms? Certainly not. If murder is committed in a bedroom should the police not go into that bedroom? Or if any other crime is committed against God and the welfare of the nation, should not the police have access to the bedrooms? Certainly they should. It does not make any difference where a crime is committed. In our bedrooms or on the street the police ought to deal with it. There should be no buildings closed to the police. I have certainly never heard of any policemen interfering with the rights of wedded love in this country.

[*Translation*]

Mr. Speaker, if the government intends to set as a policy that it has no business in our bedrooms, it should also apply the same principle and recognize that it has also no business there with regard to income tax. And from then on, we could prevent the federal government from becoming pickpockets as far as taxpayers are concerned.

If the federal government has no business in bedrooms for morality purposes, it is no more entitled to go there to collect taxes in our wallets and in our pockets.

If the federal government has no responsibility regarding morality in our bedrooms, it should not have any regarding our wallets.

Mr. Speaker, last week I met a minister of health and welfare who told me that his predecessor had not lodged any action against the fathers of children born out of wedlock. The girls, when pregnant, went to the welfare office to be paid the hospitalization costs as well as a certain sum, so to enable them to lead a normal life for a few weeks.

Now, that minister of health and welfare took his responsibility. He did not go into the bedrooms, because it was too late then, but he instituted proceedings against the fathers of those illegitimate children. That minister of health recovered the sum of $1,250,000 which had been received by unmarried mothers, when the fathers of their children had not taken their responsibilities. He took his responsibilities and from then on the moral conditions changed. Why? Because instead of making morals more permissive in that province, the fathers of those children were compelled by the law to assume their responsibilities, to provide for the needs of the mother and to educate the children.

That proves that when the government extends the limits of morality, there is nobody left to take responsibilities. When the government fulfills its duties, it is possible not only to save money but also to direct society towards the moral principles we have been elected to the house to defend, in which our constituents believe as do those of the hon. member for Mercier (Mr. Boulanger) in front of me, who remains silent and has not yet told the house what the population of his riding thinks about the bill.

An hon. Member: He is voiceless.

Mr. Rondeau: He is unable to speak.

Mr. Speaker, I have here another article of the Montreal *Star* of December 26, 1968, which deals with law and morals. I quote:

• (5:50 p.m.)

[*English*]

In one of its most controversial provisions, for example, the bill removes the present ban against acts of "gross indecency" committed between two adults in private, but it leaves the code without any definition of "gross indecency".

[*Translation*]

According to that article, it is the intention of the government to take out of the Criminal Code the penalties imposed for gross indecency. But it has not yet been clearly explained what is meant by gross indecency. Neither the Minister of Justice nor the officials of his department nor the legal officers nor the lawyers have been able so far to do so.

And it goes on to say further, and I quote:

[*English*]

The argument for this approach has been advanced in England by Lord Devlin. No society, he argues, can exist without shared ideas on politics, morals and ethics.

[*Translation*]

This means that no society can survive without any policies, without any morals and without any code of ethics.

[*English*]

A fundamental morality, a common agreement as to what is good and what is evil, forms the magnet which prevents the members of society from drifting apart.

[*Translation*]

He means by that that we must have a definition of what is moral and of what is not, otherwise, we shall surely take the primrose path.

[*English*]

The bondage is part of the price of society; and mankind, which needs society, must pay its price.

[*Translation*]

And, further on—

[*English*]

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member but his time has expired.

Mr. Rondeau: May I continue for a few minutes, Mr. Speaker?

Mr. Deputy Speaker: Has the hon. member unanimous consent to continue.

Some hon. Members: No.

[Mr. Rondeau.]

Mr. Deputy Speaker: Order, please. Apparently there is not unanimous consent for the hon. member to continue.

Mr. Rondeau: Would hon. members permit me to continue for fifteen minutes?

Some hon. Members: No.

Some hon. Members: Question.

Mr. Deputy Speaker: Is the house ready for the question?

An hon. Member: Six o'clock.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, may I call it six o'clock.

[*English*]

Mr. Deputy Speaker: Order, please. The time being six o'clock, this house will take recess until 8 p.m.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, I feel duty bound to speak again on this serious matter.

I find it rather surprising that the majority of speeches are delivered by opposition members and I find difficult to understand why serious-minded members, like the hon. member for Laval (Mr. Roy), for instance, do not comment on this matter.

In view of the fact that the hon. member for Laval is an agronomist, he could certainly inform us as to the act of bestiality.

I should also like to hear the Minister of Industry, Trade and Commerce (Mr. Pepin) who, as a former professor, could give us details as to the way the government sees things in the event that the bill should be passed.

Would so-called organizations for the breeding of animals, be set up with schools—

Mr. Pilon: A circus.

Mr. Godin: Thank you very much. This is what I meant to say.

Will the hon. member for Chicoutimi (Mr. Langlois) rise also to make known the impressions of the Catholic population of his riding?

I ask myself the same question with regard to the hon. member of Lac-Saint-Jean (Mr. Lessard).

Has the hon. member for Lac-Saint-Jean who is a union representative, made representations to the cabinet asking it to support the amendment before us? Since he was busy his afternoon, the hon. member for Manicouagan (Mr. Blouin) has not dared say a word as yet.

The hon. member for Charlevoix (Mr. Asselin) has made known his views. Since these are two bordering ridings, are the people of Charlevoix different from those of Manicouagan? Those are the questions we are asking ourselves, Mr. Speaker, and which we would certainly like to have answered.

I am convinced that the co-chairman of the committee (Mr. Béchard) will make his views known towards the end of the debate. Some of my relatives live in that beautiful county and like the hon. member for Bonaventure (Mr. Béchard) I know that the people in Bonaventure are not in favour of this bill.

I hope that the hon. member for Louis-Hébert (Mr. Cantin) whose riding borders on mine will also be bold enough to make his impressions known and to tell us how he will vote. We would like to know his way of looking at things, of understanding and explaining them and to know what are the advantages he hopes to get from this bill. This would help us to understand many points.

Those are questions and answers in which his electors and the whole area of Quebec are interested.

Mr. Speaker, it is a well-known fact that the constituency of Portneuf which I have the honour to represent has been reconstituted as it were. The last election legalized the new limits proposed by the Electoral Boundaries Commission. In fact, the present constituency of Portneuf is now made up of 2,500 families from the constituency of Langelier, 9,500 families from the riding of Montmorency and 6,000 families from the old constituency of Portneuf.

If we consider that the number of families in the former constituency of Québec-Montmorency exceeds the number of families in the constituencies of Langelier and Portneuf put together, it is not quite true to say that I represent Portneuf, since the greatest part of my constituency is situated in Québec-Montmorency.

And I am still waiting the representations of the hon. member for Montmorency (Mr. Laflamme) concerning clause 7 and the amendment. Will the representative of the other part of the former constituency of Québec-Montmorency tell us what he thinks of it?

Do the families of this constituency, reverend father, or Mr. Speaker—

Some hon. Members: Oh, oh!

Mr. Gilles Marceau (Lapointe): That is not bad. Yes, your grace.

Mr. Godin: I made my last sermon in church last Sunday. Is the population of this part of the constituency different from that of the other part?

Mr. Speaker, had the electoral boundaries commission been made aware of the introduction of the omnibus bill? Had the commissioners been ordered to separate the families favouring homosexuality from those who did not?

Since the constituency of Portneuf also got a part of the county of Langelier, which is located in the heart of the city of Quebec, the whole town would like to know the views of the hon. member for Langelier.

Since the archbishopric of Quebec is located in the beautiful county of Langelier, I think the hon. member, should have the opportunity to speak on this legislation. Automatically, he would be caught between the Prime Minister (Mr. Trudeau), the Minister of Justice (Mr. Turner) and the archbishop of Quebec.

Anyway, I do hope that we will finally hear his words which will weigh heavily in the scales and which could give quite another direction to this debate.

I would like to quote what Father Alphonse Beaulieu wrote in *L'Action* in December 1967:

> That the legislator should be placed in the puzzling alternative of having to betray his religious beliefs or save his party, is beyond understanding... the freedom of the members of parliament is illogical in our progressive world and indicates the weakness of our parliamentary system. Imagine removing the basic freedom, the freedom of religion, to enact licence!—
>
> —In the very name of "pluralism" we should respect the beliefs of the member of parliament and not force him to vote like a machine on such a major piece of legislation.

Here is another article by Pierre Lapointe published in December 1969 in *L'Action*, and I quote:

> Since we are living in a Christian country, our M.P.s should remind the House of Commons of what the Bible says: that the sin of Sodom (homosexuality) brought down the wrath of

Heaven . . . that the corruption of the earliest inhabitants of this world was punished by the great flood . . . They should also be reminded that moral corruption was the primary cause of the wars which steeped Europe in blood, the cause of the invasions of the Barbarians who brought the Roman Empire to its doom. We are threatened with a third world war and the yellow peril is at our door.

In those days, people used to say:

If P. E. Trudeau, a bachelor, is too blind or too insensitive to these dangers, he is unworthy of being the Minister of Justice of a Christian country.

Mr. Speaker, the moment of decision has come, I believe: either we accept the immutable values and the ideal coming from God or we stagger down the slope leading to the most cowardly selfishness and to the social anarchy, which brought the downfall of pagan Rome.

Such are the things at stake. I feel that every member should do his utmost to pass only adequate legislation, and if the hon. Minister of Justice, who is piloting this bill, still has a glimmer of decency in his soul he should reverse his stand and support the amendment in question.

• (8:10 p.m.)

[*English*]

Mr. Deputy Speaker: Order, please. My understanding is that the hon. member for Lotbinière (Mr. Fortin) has already spoken on this amendment.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like, with the permission of the house, to direct a question to the hon. minister or to his parliamentary secretary, in order to elucidate something which, in my opinion, should be clarified.

It has to do with paragraph (2) of section 7, where it is said and I quote:

—an act shall be deemed not to have been committed in private if it is committed in a public place, or if more than two persons take part or are present;

Mr. Speaker, here is my question. Since—

[*English*]

Mr. Turner (Ottawa-Carleton): On a point of order—

Mr. Deputy Speaker: Order. The hon. member has already spoken, and he cannot speak again.

[Mr. Godin.]

[*Translation*]

Mr. Fortin: Mr. Speaker, I do not want to make a speech but put a question to the minister to clear up a few things.

[*English*]

Mr. Deputy Speaker: I must advise the hon. member that if the minister were speaking he could pose a question, but as the minister is not speaking he cannot ask a question, unless of course there is unanimous consent.

Some hon. Members: No.

Mr. Deputy Speaker: Apparently there is not unanimous consent. Is the house ready for the question?

Some hon. Members: Question.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

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

The house will now proceed to amendment No. 10.

[*Translation*]

Mr. Laprise: I rise on a point of order. I see that amendment No. 9 is on the order paper. To my knowledge, it was not defeated. I would therefore like to know what happened.

[*English*]

Mr. Deputy Speaker: Order, please. On Friday last it was ruled and agreed to that we would deal with amendment No. 9 following the discussion of amendments Nos. 10 and 11.

Mr. Stanley Knowles (Winnipeg North Centre) moved:

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting from clause 13 thereof paragraph (a) and paragraph (b) of sub-section (1) of the proposed new section 179A of the Criminal Code.

He said: Mr. Speaker, I believe that the purpose of my amendment is very clear. I also believe that there are many members of the House of Commons who support what I am seeking in this amendment, and when the vote on it takes place I hope that the majority will vote in its favour.

Clause 13 of Bill C-150 is the main part of this bill dealing with the question of lotteries. Its main effect is to liberalize the law of Canada with respect to lotteries, and it does this under several headings. Regardless of any views that some of us may have about lotteries generally, and I do have such views, it is not our purpose to oppose the attempt to widen the law so far as ordinary games of chance and things of that sort are concerned. We agree that if the law is to be widened with respect to office pools, raffles, bingos, games of chance and so on, there should be strict controls, and in that respect we think that the provisions of clause 13 are commendable.

However, Mr. Speaker, there are two things provided in clause 13 that many of us in the House of Commons do not like, and I make the strongest appeal I can to the Minister of Justice (Mr. Turner) to reconsider his position. The two things I refer to are the authority that is provided on the one hand for the federal government to conduct lotteries, and the authority provided on the other hand for provincial governments also to conduct lotteries.

Again, if I may multiply a few words to make our position clear, those of us who are speaking on this issue are not asking for any change in the government's position so far as lotteries generally are concerned, but we do ask this house to take a stand against state lotteries. That is the purpose of my amendment which seeks to remove from clause 13 paragraphs (a) and (b) of sub-section (1) of the proposed new section 179A. In taking this stand, Mr. Speaker, we do so not with any blue law approach but because, in the main, we feel that lotteries as a way of raising money for the state or as a way of helping people to win prizes are not good economics.

• (8:20 p.m.)

In our view state lotteries are nothing more than a form of taxation. In fact the one widespread lottery under public auspices being held in this country at this time is called a voluntary tax. The thing that is wrong about lotteries as a form of taxation is that it is the most regressive form that could be imagined. That is saying something in this House of Commons because this government has done very well in dreaming up regressive forms of taxation. I think one of the worst we have ever had is the two per cent social development tax that is still being collected, even though parliament has not approved it. But lotteries are even worse than that. When lotteries are used by governments, federal, provincial or even municipal for that matter, for the purpose of raising taxes there is no relationship whatsoever to the ability of people to pay. In fact, those who are least able to pay are those who are enticed by the possibility of winning a prize. They are the people who can least afford to lose their money in this way and they are the ones who lose the most.

If people wish to take part in lotteries conducted by private organizations, by various charities and others on a voluntary basis, that is their business. But surely, it is something entirely different for the state to use lotteries as a means of raising revenue and for the state to put the stamp of approval on this method. The hope, of course, that the government has in resorting to lotteries is that people will participate because they hope they will win. The fact of the matter is most people lose in any kind of lottery. So does the state. The few examples that there are, are not being placed before us as reasons that we should pass this legislation. Reports from the state of New York indicate that the attempt there to raise money by way of a state lottery has not been successful. We hear many references to the Irish sweepstakes, but we do not hear much said about the great social improvements that have taken place in Ireland on the basis of money raised in the sweepstakes. The reason is clear: there are no such improvements. While we hear about the widows and others who win the lotteries held by the city of Montreal, there is no suggestion that the lotteries being carried on by the city have solved that city's financial problems.

We think that on every count this is the wrong way to go about things. In our view it ought not to be passed by this House of Commons. I recognize the government's position that this legislation is only permissive. The government argues that the passing of clause 13, and the eventual passing of this bill, does not bring federal or provincial lotteries into being. But permissive legislation has a way of being used. In my view there is no doubt that if this legislation is passed it is only a matter of time until provinces, under pressure, will resort to it. It can be only a matter of time

until the federal government, under that same kind of pressure, will resort to this retrogressive way of raising money for the state or of helping people put more money into their own pockets. That is the reason we urge very strongly that this house vote for my amendment and delete these two subparagraphs from clause 13 of this bill.

We have had a good deal of correspondence about Bill C-150. I should like to say that I am particularly proud of the kind of letters and submissions that have reached my desk from the churches and church organizations which have written me. I have some of them here on my desk tonight, but I shall refer to only one of them. I am picking one that is typical and also one which I think states the case very well. Normally, one can expect churches to take a careful position on these matters of social concern. It has interested me that the major churches that have been in touch with me—I admit that most of them are churches on the Protestant side but in these ecumenical days that distinction does not matter—have taken a progressive stand on questions such as abortion, homosexuality and so on. But we are not now discussing those subjects. The thing that interests me is the stand that most of the churches have taken on the question of lotteries and I find myself in agreement with them. They admit their general dislike for lotteries in any form. They admit that in their view games of chance as a way of making economic progress for the individual or anybody else are not good. But they are realistic enough to admit that it is just about impossible to legislate against every game of chance there is.

Nevertheless, these churches have come down strongly and said that in the name of all that is decent, sensible, economic and just they cannot agree with the provision in Bill C-150 in respect of state lotteries, either federal or provincial. I said I have a number of letters and that it is my intention to pick up and read only one of them. This happens to be from the Charleswood Mennonite Church, situated in metropolitan Winnipeg. This is a church other than the one I happen to belong to and Charleswood is not in my constituency. I thought this letter was one of the best which came to me and it sums up the position stated in most of the letters from churches and church organizations. It came over the signature of Mr. Rempel, the pastor of the church, and Mr. Keyler, the chairman of the church organization. I was told in this letter, as no doubt was the member for Winnipeg South Centre (Mr. Osler) because I believe since this church is in his constituency he would have received the same letter, that the members of this church were anxious to submit their comments on the various matters in respect of the Criminal Code but before they did so their congregation spent five Sunday mornings during December and January discussing the issues of lotteries, abortion and homosexuality.

The members of this congregation went over the matters very carefully with experts and finally decided to submit their comments to various members of parliament. They made it clear that the letter they submitted to us in its final form was approved unanimously by the members of that church congregation. I should like to read what this church said on the question of lotteries. It is brief, to the point, and I think we should pay attention to it:

> We recognize that office pools, raffles, bingos, and other forms of lotteries are widely used. Although these types of "games of chance" appeal basically to people's weaknesses, their discontinuance cannot be effectively legislated. It is our opinion, therefore, that privately operated lotteries should be legalized, but they should be strictly controlled by the Government, as is wisely proposed in Bill C-150.

That is one paragraph. I think it is well stated. I think the Charleswood Mennonite Church is to be commended for its position.

• (8:30 p.m.)

The letter continues with this one short paragraph:

> We are strongly opposed, however, to the federal and provincial governments using lotteries to raise revenue. We feel that this method of fund-raising has been shown to be both inefficient and unjust. It is primarily a tax on the weak and the poor.

I commend this particular congregation on that statement in respect of lotteries. This congregation has dealt with the whole broad question including private and state lotteries, and I think its position in both respects is realistic. I am sure, in fact, that there are many members of this house who take this position, and I hope they will so indicate either in the speeches they make on this amendment or in their votes when the time for voting on this amendment arrives.

In that connection, I hope we will demonstrate at some point during the report stage that this bill is not all cut and dried. I was pleased that the Standing Committee on Justice and Legal Affairs made a number of changes to Bill C-150. This demonstrates the

validity of the committee system we are trying to put into effect. I know that a friend of mine along the front row a bit objected the other day by saying the committee was a failure. I think in his view it was a failure because it did not do what he wanted it to do. Among other things, that committee made changes, some of which were opposed by the Minister of Justice (Mr. Turner), and that is good.

The Standing Committee on Justice and Legal Affairs, whatever one might say about the Standing Committee on Transport and Communications, did a good job on this bill. Now that we are at this report stage, which I think is an innovation that is good but is being put to the test right now, it would be unfortunate if out of the 44 amendments put down by members not one of them was approved when it came to a vote. I hope this is one on which members will vote as they feel they ought to, without regard to what the government or the party may have said, with the result that we will take the position we do not want this regressive form of taxation or the injustice involved in state lotteries.

Having made these several references to taxation, may I go on and put it this way. What on earth is the point of having a Carter Royal Commission go into the whole question of taxation, and what is the point of having the government study that report and put all those people in the Department of Finance to the task of going into the ins and outs of it in order to bring down a white paper to develop a taxation system that is fair, if we then turn around and shoot the thing full of holes by bringing in state lotteries which have no relationship whatsoever to any kind of fair taxation system? That is why I take this stand. There are opinions on the moral and social nature of lotteries. It has been said under other headings that it is pretty hard to get a consensus on most social judgments and moral opinions. Surely, when it comes to cold, hard economics we can get a consensus. I hope there will be sufficient support for this amendment that when the time comes for the vote to be taken it will carry and we will delete paragraphs (a) and (b) from sub-section (1) of the new section 179A of clause 13 of the bill.

If this happens there are one or two consequential things that would have to be done, such as relettering some of the other clauses. I was advised before I put down my amendment that this would be within the prerogative of the law counsel, so we have no problem there. All we need to do is get this house to take the proper position on this issue.

I said earlier I recognized that what the Minister of Justice has in mind is that this is only permissive legislation. When the minister was speaking on second reading, I think he said that what this bill does in this respect is provide for a sort of local option, leaving it to the federal or provincial governments to have lotteries or leave them alone as they may wish. This provision will not work in that way. If you put the stamp of approval on state lotteries by this kind of legislation, it is only a matter of time until we have them.

As a matter of fact, I find it difficult to take that argument from the Minister of Justice, because if he is putting in this clause, and he remains the Minister of Justice, he would be the one to bring in an order for state lotteries. If he does not intend to do that, why is he putting this in the bill now?

It is not my desire or my intent to speak at length on this matter. I hope I have made my point. I do have one other point on this legislation I wish to draw to the attention of the minister. Before doing so may I emphasize that so far as I am concerned, I am not putting this matter on any narrow blue law basis. I am putting it on the basis of what is common sense and good economics. I have cited the position that the churches have taken because I think they are to be commended for the realism of their approach. As I say, the two paragraphs I read from the letter from the Charleswood Mennonite Church on the outskirts of Winnipeg I think represent the essence of the church's opinion and this House of Commons ought to pay attention to it.

I said I had one other piece of evidence. I think the Minister of Justice is acquainted with the Minister of Consumer and Corporate Affairs (Mr. Basford). In fact, I believe they are good friends. A year ago during the leadership campaign I think they were on the same team. At any rate, I should like to introduce the Minister of Justice to the Minister of Consumer and Corporate Affairs who, like others in the government, runs around making speeches. He has some public relations people in his department who give us copies of these speeches.

The Minister of Consumer and Corporate Affairs made a speech on Friday of last week at the annual meeting of the British Columbia

division of the Consumers' Association of Canada at the Grosvenor Hotel in Vancouver, British Columbia. We get so many of these that one does not know whether he should take the time to read them all, but one learns to leaf through them.

Mr. Turner (Ottawa-Carleton): You only read the ones you agree with, Stanley.

Mr. Knowles (Winnipeg North Centre): I had to go to the last few pages of this one to find what I wanted, and it came as a surprise to me as I did not expect it. I expected to throw this speech away. In any event, I got to the end of the speech and found that the minister discussed with the members of the British Columbia division of the Consumers' Association of Canada the folly of games of chance and prizes as conducted by the retail trade in the United States and Canada. He expressed a strong belief that this sort of thing should be curtailed.

The minister, in referring to these games and gimmicks in the United States, suggested that the chances of winning prizes vary from game to game but are found to be monetarily low regardless of the game. He said that, as a whole the programmed chances of winning a cash prize per store visit were about 3.4 to 1,000. He referred to a quotation from an article which appeared in the United States.

The minister went on to refer to the fact that once the odds of winning a major prize feel to zero, the advertising implications reached a peak. Once the one major prize was won in a particuliar area the advertisements began to emphasize this fact. The clear implication was that other prizes of the same size were available when in fact they were not. Consumers who believed they were available were being deceived. I could go on with these statements by the hon. minister's friend who stood up before the Consumers' Association of Canada and stated that one of the things we must get rid of was this practice of games, chances, prizes and gimmicks in which stores indulge in an attempt to entice people in simply because of their gambling instinct. Many of these people feel they are going to win, but the minister made it clear that they do not have a chance.

• (8:40 p.m.)

What kind of a situation is this? These ministers are sitting too far apart. We have one minister saying we must get rid of games of chance conducted by the retail trade in this country while another minister sitting at the other end of the cabinet benches, is saying it is time to permit games of chance and lotteries conducted by the government itself. How ridiculous a situation can you get? These two ministers are good friends, and I hope they will get together. I hope the Minister of Justice will take the advice of his friend the Minister of Consumer and Corporate Affairs, to the effect that there is just no economic sense in trying to make money, trying to raise revenue from the people of this country by means of lotteries. If the people of Canada want to conduct lotteries in a private way, our law for a long time has said it is all right, and the law still says this. But let us not put the stamp of approval on state lotteries run by federal government or by the provinces. This is why I ask for support of this amendment.

I emphasize that this amendment is not a package involving several propositions. There is no confusion here. There is no question of having to vote one way or the other because of all the elements involved. There is one clear, simple issue in this amendment, and that is its opposition to state lotteries, federal or provincial. I hope the house will support me in that opposition.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I shall be very brief. In our approach to this matter we still retain the same freedom of action which was referred to by our leader at the time of second reading of the bill. I intend to support the principle put forward by the hon. member for Winnipeg North Centre (Mr. Knowles). I can say in very few words why I intend to do so. I accept many of the comments made by the hon. member. I would like to think that the people of Canada have had enough of gambling. They gambled last June 25.

Some hon. Members: Hear, hear.

Mr. Baldwin: Hoping for a royal flush, they got a busted straight, and lost.

An hon. Member: They lost badly.

Mr. Baldwin: I have very considerable reservations about the federal government and the provincial governments becoming involved in lotteries. Some years ago I sat on the estimates committee which looked into this issue. We examined the records and figures relating to the lotteries conducted by the Irish Republic. Although we never made a report or any recommendations which came into the house, at that time our conclusion

was that the amount of money which found its way into the realm of hospital improvement in the Irish Republic hardly justified the work and problems created by allowing the state to become involved in gambling. I fear that if this were done in Canada, very serious problems could arise with regard to administration.

While I have every intention of supporting the other amendments which the government has introduced I cannot see my way clear to supporting the section with regard to lotteries. Therefore, I intend to support the amendment offered by the hon. member for Winnipeg North Centre.

[*Translation*]

Mr. Real Caouette (Témiscamingue): Mr. Speaker, I would like to deal with the amendment proposed by the hon. member for Winnipeg North Centre (Mr. Knowles) concerning lotteries; it seems reasonable to us. Actually, the purpose of clause 13 is to add section 179A of the Criminal Code which reads as follows:

(1) Notwithstanding any of the provisions of this Part relating to gaming and betting, it shall be lawful

(a) for the Government of Canada to conduct and manage a lottery scheme in accordance with regulations made by the Governor in Council and for that purpose for any person in accordance with such regulations to do any thing described in any of paragraphs (a) to (f) of subsection (1) or subsection (4) of section 179;

and also to enable the—

(b) For the government of a province either alone or in conjunction with the government of another province—

—thus becoming a sort of co-operative lottery or allowing a group of provinces or two provinces to join together to—

—to conduct and manage a lottery scheme in that province, or in that and such other province, in accordance with any law enacted by

—legislation—

Mr. Speaker, it is generally recognized that people like games of chance, they like gambling; it is only natural.

We see for example, people rushing to church bingoes, or social club bingoes.

Lotteries do not improve the economic level of a nation, a province, a municipality, a school board or whatever. Somebody is making a profit, but at the expense of all of those who buy tickets or indulge in gambling.

Mr. Speaker, according to the spirit of this bill, we will eventually have national, provincial or municipal lotteries, and perhaps even school, charity organizations and social club lotteries. All such lotteries will tend to improve the economic situation of some administration in all those fields.

The municipal lottery of Montreal is still going on. Such a lottery was launched in the hope it would solve the financial problems of that city, but it took a few months to realize that the lottery was inadequate. The municipal authorities had to increase the land tax, public transportation tickets and the cost of all municipal activities.

Provincial and federal lotteries would accomplish the same thing with exactly the same results.

I believe, Mr. Speaker, that the people of Canada need other things than lotteries. I know people who play bingo. Bingo-playing is a disease, so we play bingo. Not necessarily to support a charitable institution, but in the hope of winning first prize. Sometimes, a week's salary is thus wasted away. As for the salary of the family head, it is spent in one week, playing bingo in the hope of drawing the big prize. Most of the time, one does not draw the big prize; one is poorer than before.

As far as the principle of lottery is concerned, the Ralliement créditiste cannot recognize it. However, there are exceptions to every rule, and we think that our parishes, for instance, or religious organizations—

An hon. Member: So there is an exception.

Mr. Caouette: There are exceptions because the present system makes them necessary.

If our parish priests were assured of being able to meet their obligations in their field, if young people never spoke of bingoes, there would no longer be problems. I hear the Minister of Justice (Mr. Turner) speak of that exception. We did not create it, it is the system advocated by the Minister of Justice. He is the one who makes it necessary to resort to exceptions.

From the time I was a child, I have seen all kinds of bingos and they were all illegal. The parish priest was always afraid of being arrested. No province could authorize the holding of a bingo, because lotteries or bingos, were dealt with in the Criminal Code, and come under federal jurisdiction.

• (8:50 p.m.)

Mr. Speaker, why are lotteries resorted to today? I am speaking about those held by

religious organizations, social clubs and churches to raise the funds they are unable to obtain through other means in the present situation. In our crazy set-up, we must tolerate that the parish priest ask his flock to play bingo. But the principle does not change. That does not improve the living conditions of the people as a whole. That does not put money into circulation, but further taxes the people in order to enable a few to make some very short-lived gains. That does not last for any length of time. We always get the same results and we know what they are. Mr. Speaker, if we must admit that bingos, because of our present system, may temporarily help charitable organizations, we do not believe that the federal government is a charitable organization. We do not believe that the federal government should organize a national lottery in Canada.

We do not belive that the provincial government should establish a provincial one, nor the municipal governments any local ones. But, with regard to charitable organizations, because of the present situation, they have no other ways of raising money, except lotteries or bingos.

So we shall support the amendment moved by the hon. member for Winnipeg North Centre (Mr. Knowles), but we remain convinced that this is not a solution to the problems which affect the whole nation.

Mr. Speaker, it has been a long time since that lotteries project was first suggested to the government. The government is strongly urged to set up a lottery or to amend the Criminal Code and I say again that this would not settle the matter.

However, in view of the financial system we live in, charitable organizations and social clubs are compelled to resort to bingos. Let us enable them to do so without breaking the law as has been the case since bingos are conducted throughout the country.

Mr. Speaker, we are going to support the amendment of the hon. member for Winnipeg North Centre, but we still maintain that setting up a lottery will not settle anything. This is quite clear in our mind.

This amendment suits us in the circumstances. It will enable charitable organizations to paddle and dabble in a system which the Minister of Justice wishes to maintain at all costs in Canada.

[*English*]

Hon. John N. Turner (Minister of Justice): I should like to clarify very briefly the purpose of these two subsections to which the amendment of the hon. member for Winnipeg North Centre (Mr. Knowles) applies.

The new section 179A to be found in clause 13 of the bill provides, as the hon. member suggested, that lotteries shall henceforth be lifted from the Criminal Code and placed within provincial option under a licence of the provincial attorneys-general if their purpose is charitable or religious or if they are run by charitable or religious organizations. That is to be found in paragraph (c) of the first subsection of section 179A. At the same time, a similar local option is given to a provincial attorney general or to a Lieutenant Governor in Council in respect of agricultural fairs or exhibitions or to operators of a concession leased by an agricultural board or an exhibition board to conduct and manage a lottery scheme in the province.

It seemed logical to the government that if the criminal law were to be withdrawn from lotteries managed by private organizations, charitable and religious, or by agricultural fairs, an option should also lie with the provincial government itself or with an agent of a provincial government, and, since this was being done, that the criminal law should be totally withdrawn in its application to the federal government in this area as well.

I wish to deny categorically any suggestion that clause 13, particularly the provisions to which the hon. member's amendment relates, in any way sets up a provincial lottery scheme or a federal lottery scheme. It in no way does this. It merely takes both areas out of the ambit of the criminal law—and I think the hon. member for Winnipeg North Centre will agree with the substance of what I am saying.

Mr. Knowles (Winnipeg North Centre): It will just make it possible.

Mr. Turner (Ottawa-Carleton): That is right. It just makes it possible. It withdraws the application of the criminal law and makes this a question of civil, public policy. It does not establish a new tax because no new lottery scheme is set up. As the hon. member for Winnipeg North Centre suggested correctly, it is, if one wishes to call it so, permissive legislation. It does establish a local option and it now becomes a question of public policy at the federal and provincial levels whether lottery schemes ought to be established. It is not a stamp of approval. Since the hon. gentleman referred to my colleague the Minister of

Consumer and Corporate Affairs (Mr. Basford), may I say it is not even a trading stamp of approval. In no way does it establish any lottery scheme under public auspices in this country.

Mr. Knowles (Winnipeg North Centre): It may not be a trading stamp of approval but it is a poor trade.

Mr. Turner (Ottawa-Carleton): Let us begin with the provinces. Sub-paragraph (b) of subsection (1) of the new section 179A, which is affected by the amendment, reads:

> Notwithstanding any of the provisions of this part relating to gaming and betting, it shall be lawful
>
> (a) for the Government of Canada to conduct and manage a lottery scheme in accordance with recommendations made by the Governor in Council and for that purpose for any person in accordance with such regulations to do anything described in any of the paragraphs (a) to (f) of subsection (1) or subsection (4) of section 179.

• (9:00 p.m.)

What does this mean? It means that the criminal law is withdrawn. It means that the government of a province would have to go before its legislature and get the approval of public opinion in the province. It would have to get the approval of the majority of the members, duly elected, of the provincial legislature. Only then, would a provincial lottery be established. All that this withdrawal of this type of lottery scheme from the criminal, the penal law means is that if a province is willing to face public opinion in the province and decides to introduce an enabling provision in the legislature of the province, then the provincial government takes upon itself before its own legislature the introduction of such legislation. Through its criminal law the federal government says: "That is your business. We are withdrawing from the field. We are giving you the option. You decide in terms of the opinion of your own people in the province whether you want a lottery scheme. If you do, the conditions that you attach to such scheme are a provincial matter".

This being the case, it seemed to the government logical that if the application of the criminal law to the establishment of a lottery is to be withdrawn in the provincial area it ought to be withdrawn in the federal field in the same fashion. So that the establishment of a lottery would become no longer a question of criminal law but of public policy, for which the government of the day would be responsible. May I say to you, Mr. Speaker, and through you to the members of the house, that as far as I know the federal government at present has no intention of establishing a lottery scheme. We wanted the bill to be symmetrical.

The establishment of a lottery by a provincial government would be by provincial statute and would be without the criminal code. In the federal area such establishment would be by order in council, which would have to be proclaimed and would be subject to the usual confidence vote in the House of Commons. In any event, there is no present intention to enter that field.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Would the minister permit a question. Would he explain to the house why members of the legislature would have some voice in determining the terms and conditions under which a provincial lottery would be conducted, whereas members of parliament would have no voice whatever in expressing their opinion with regard to the terms and conditions under which a federal lottery would be conducted?

Mr. Turner (Ottawa-Carleton): Because at the moment no provincial legislature has had the opportunity in any way of pronouncing itself upon the subject. As I say, an order in council would be subject to all the motions of want of confidence that are available to members of this house, and the government of the day would so govern and so limit.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I do not think that answers the question. That would give hon. members the opportunity to vote either confidence or lack of confidence in the government but would not express any opinion on the terms and conditions under which a lottery should be conducted. Surely, that is an important item for those who might want to support a lottery, though I am not one. They would want the terms and conditions set out in the statute under which the lottery was to be operated.

Mr. Turner (Ottawa-Carleton): I suggest to the hon. member that a want of confidence motion in connection with such an order in council could go to the terms and conditions, as it could to the terms and conditions of any order in council.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, notwithstanding what the Minister of Justice (Mr. Turner) has to say, I should like to rise to support the amendment proposed by my colleague the hon. member

for Winnipeg North Centre (Mr. Knowles). I deeply regret that this legislation, which in general is civilized and civilizing, would have incorporated within it this particular feature of permitting federal or provincial lotteries. In my view, this is a blot on what is otherwise an enlightened piece of legislation.

I do not know whether it is too late to appeal to the Minister of Justice to look at this matter again; I suppose it is. I do not know whether it is too late to appeal to the House of Commons here assembled to look at it again, and to reject the present provision in this bill. As I say, I believe in an otherwise enlightened and civilized piece of legislation, this is something that would be deeply regretted if the house saw fit to adopt it. I am not against lotteries because of any puritanical or restrictive points of view. I assume that gambling is a natural instinct, one that cannot be repressed.

Mr. Knowles (Winnipeg North Centre): How otherwise would this government have ever got elected?

Mr. Brewin: That is a good point. But when we come to consider the effect of this legislation as far as lotteries are concerned, I think we have to admit that this provision is permissive of a socially injust, regressive and unfortunate system of taxation; that is the net result of it.

I have here a quotation I should like to read to the house contained in a publication called *The Christian Century,* though I do not know to which century the reference is.

Mr. Knowles (Winnipeg North Centre): It has not come yet.

Mr. Brewin: I agree with my colleague. The quotation is this:

In the final analysis, revenue must come from productive enterprise. Gambling produces no wealth; it merely redistributes it from the hands of the many into the hands of the few.

The essence of this legislation is that it permits a redistribution of wealth that hits the people who are the poorest and least able to give. It takes from the many and gives to the few. That is the basic effect of legislation of this sort. It dries up the well-springs of genuine and decent charitable giving. It has been tried out on many occasions. The pendulum for and against lotteries has swung first one way and then the other. I believe many important institutions were founded as a result of lotteries. Somebody told me that Harvard University was built from the proceeds of a lottery. There used to be times when the sheriffs of the courts in England went out and sold lottery tickets, which was something like the raising of bond revenue for the government of the country. Similarly, when justices travelled throughout the country they sold lottery tickets. But every time it has been tried it has been found to involve all sorts of undesirable social consequences.

I am surprised at the permissive attitude of the Minister of Justice. He says: "Well, we don't intend to do this or expect to be asked to do this, but we will give the provinces permission to do it". That sort of permissiveness is the very vice that is destroying sound attitudes.

Britain has experienced this same swing of the pendulum. The British have passed legislation giving the opportunity for gambling wider scope. I have in front of me a press clipping, the headline of which is: "Britain's gambling craze saps energy and resources". I suggest that that is the natural tendency of legislation of this sort. A state lottery is bound to result, as the headline says, in a sapping of energy and resources. It is promoting delusions on the part of people who cannot afford to have such delusions.

• (9:10 p.m.)

I do not know why a piece of legislation which makes good sense, which is civilized and civilizing, should include a clause on lotteries when experience shows that lotteries do not work, are not sound, and do not bring intelligent results. I know that there is widespread public opinion favouring lotteries. I would not mind betting that if I consulted some of my constituents they would be in favour of lotteries. Why is that, Mr. Speaker? I submit it is because they have no experience showing how destructive and unjust lotteries can be.

I plead with the minister to look at this clause again. I plead with the house to take a responsible view of this matter and to support the amendment of the hon. member for Winnipeg North Centre (Mr. Knowles). I do not ask that because he is my colleague; I ask it in the name of common sense and good judgment.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I am in a curious position. I say that if charitable organizations and municipalities are to be exempt from the provisions of the Criminal Code with respect

to lotteries, provincial legislatures ought also to be exempted. Frankly, I question the wisdom of having parliament exempt charitable organizations. How can the government say that if provinces operate lotteries they will be breaking the law? Certain narrow exemptions are included in the bill. I do not think it is correct to say that an analogy can be drawn with respect to what is being legislated for the provinces and what is being permitted under the federal authority. When one considers the matter at all, one sees that the Criminal Code is being changed to permit lotteries to be operated by the federal government. In short, parliament is being asked to allow the government to run lotteries.

Such legislation goes far beyond any legislation that would merely amend the Criminal Code. Frankly, we are being asked to authorize the Governor in Council to establish lotteries. That is absurd. One may ask, why is this government asking parliament for authority to operate lotteries.

An hon. Member: Because Benson's desperate.

Mr. Stanfield: This is absurd.

Mr. John Gilbert (Broadview): Mr. Speaker, I support the amendment of the hon. member for Winnipeg North Centre (Mr. Knowles). The arguments of the hon. member for Winnipeg North Centre and the hon. member for Greenwood (Mr. Brewin) were so clear, concise, and convincing that it is hardly necessary for me to speak.

This afternoon the hon. member for Peace River (Mr. Baldwin) berrated me for praising the Minister of Justice (Mr. Turner) for the provisions regarding homosexuality. Probably I went a little too far in praising the minister. I think the amendments concerning homosexuality, abortions, guns, and parole have been brought in because the intention is to bring about an enlightened society—and Lord knows, we will have to wait a long time for a just society.

At present I am speaking about the lottery clause of the bill, and I support the amendment of the hon. member for Winnipeg North Centre. The Minister of Justice may say that the lottery clauses are permissive only; yet I do not think that the introduction of this clause shows that the government has an enlightened view on this matter.

When supporting the idea of lotteries, many Canadians cite as an example the Irish sweepstakes. They say that much money from Canada is flowing out to foreign lotteries and that if we have our own Canadian lottery the outflow of that money will cease. May I point out to hon. members that the Irish sweepstakes are operated, not by any government authority, but by private authority. In the 36 years this private authority has run the sweepstake it has made in profits $1.2 billion and made available to hospitals and other charitable organizations only $140 million. If that Irish private organization were considered in that country an ordinary corporation subject to corporation taxes it would pay much more than $140 million in taxes on profits of $1.2 billion. In other words, the $140 million paid to charities and hospitals is less than any taxes a comparable corporation would have had to pay.

An hon. Member: What about the prizes?

Mr. Gilbert: Someone asks, what about the prizes? To that I can only say that the amount of money given to hospitals and other charitable organizations makes me think that the Irish sweepstakes have been hardly worth promoting. I do not think the state ought to make itself responsible for the provision of gambling facilities. It is undignified. The government of Canada should not enter the gambling business. Many studies into lotteries have been conducted in Britain and Canada. The Joint Committee of the House of Commons and the Senate studied in depth the question of lotteries. That was in 1956, I believe. That committee concluded we should not have lotteries here, and made that recommendation. They said that lotteries will bring little tax revenue. Studies have indicated that lotteries in Quebec will net that province little more than $10 million at the highest, an insignificant figure which will do little in Quebec to help hospitals and charitable organizations.

I do not think we ought to support this new legislation, and we ought to support the amendment of the hon. member for Winnipeg North Centre. The minister ought to know the effects of lotteries in New York city and New Hampshire. Responsible authorities there have said that lotteries, from the point of view of the state, have not been a financial success and have not helped to meet some of the problems they were intended to meet.

I asked the minister when he appeared before the Standing Committee on Justice and Legal Affairs who was promoting this new lottery legislation. He said no one in particular was, and therefore the responsibility for introducing this legislation must be laid at the minister's doorstep. Even though the hon.

member for Peace River (Mr. Baldwin) finds the praise for the minister a little too eloquent, I ask the minister to give second thought to the legislation he is bringing forth and to give close attention and co-operation to the amendment of the hon. member for Winnipeg North Centre.

• (9:20 p.m.)

This amendment makes sense. It means the provincial and federal governments will not be promoting the gambling instinct among Canadians. It is not worthy of any government to promote this type of instinct. I need not underline the fact that the operation of any lottery adds little to employment opportunities. The few people required to operate a lottery will not solve any of the employment problems which we face today. That cannot be used as an argument.

I fear the minister may have to bring forth a song with regard to lotteries. We all know the song, "Don't play bingo tonight mother, stay home with daddy and me". A new national song may have to be brought forth with regard to the operation of lotteries to replace this song. I say, Mr. Speaker, the government should not make itself responsible for gambling facilities. It should not promote the gambling instinct because that is unproductive and unworthy of the government of Canada.

Mr. Baldwin: May I ask the hon. member a question?

Mr. Gilbert: Certainly.

Mr. Baldwin: Would the hon. member be prepared to ask unanimous consent of the house to review the remarks he made in his first speech?

Mr. Gilbert: I have full confidence in the Minister of Justice (Mr. Turner). He believes in the trustworthy process of democracy. After hearing the eloquent pleas of the hon. member for Winnipeg North Centre and the hon. member for Greenwood (Mr. Brewin), even discounting the remarks which I make, I am sure the minister will be persuaded like Paul on the road to Damascus, to see the light and bring forth the proper legislation.

Mr. David MacDonald (Egmont): Mr. Speaker, I rise to speak briefly on this particular amendment. I have not spoken on some of the other amendments because, on second reading, I had an opportunity to state in a general way my position on the most contentious issues encompassed in the amendments to the Criminal Code. I agree with other hon. members that the particular amendments included in the bill represent an attempt by the minister and members of the house to up-date and bring into conformity the laws of the land as we currently know them. Someone might immediately suggest this is what we are also doing with regard to gambling. A good deal of gambling is carried on in this country under one guise or another. If looked at squarely, much of it is carried on illegally, but government and police officials tend to look the other way when gambling of one kind or another takes place in this country.

Quite frankly, I do not feel the hon. member for Winnipeg North Centre (Mr. Knowles) has gone far enough in this amendment. I did not have the opportunity to hear his remarks. I do not know why he would distinguish between lotteries operated by provincial or federal authorities as opposed to those operated by religious or charitable institutions or agricultural affairs. Gambling is gambling, no matter where it takes place. The issue is surely the same. I believe gambling does little or nothing to encourage people in the correct ethics that motivate and guide the structures of our society and economy. We cannot have a two-sided view, people doing right in one situation and wrong in another.

There have been many experiences with various forms of lotteries. The hon. member for Broadview (Mr. Gilbert) mentioned the song, "Don't Play Bingo Tonight Mother". During my time as an active minister and pastor I had to deal with a number of individuals who became victims of an addiction to gambling. It is not the purpose of the minister's amendments to encompass all the various problems of morality in our society.

Our lawmakers have a responsibility to lay down at least general guide lines, but when dealing with the matter of lotteries we have gone far astray. The idea of giving permission to institutions, provinces and governments to conduct lotteries is in direct contradiction to everything the government does in the exercise of its authority. I know of no government department or agency that essentially says, you can expect to receive something for nothing. Therefore, I find it extremely surprising and illiberal, if I may describe it that way. It will do no good.

While the government may find people in certain areas strongly in support of lotteries, they will in truth weaken the moral fibre of

the country and create a number of other problems. The minister is young and intelligent, and I find it hard to believe he thinks this is a reform measure.

Mr. Woolliams: He is younger than you.

Mr. MacDonald (Egmont): His concept of reform is vastly different from mine. I do not find very much wrong with some of the other amendments in this bill. In fact, in some cases, there is too little being done. As was mentioned earlier, half a loaf of bread is better than none. I cannot understand why one proposal in this omnibus bill sets back the whole trend of reform. I presume there have been political pressures, perhaps within the government caucus. Perhaps there have been pressures we have not heard about in this chamber which have been brought to bear on the department and its officials. The government has not assessed what is proper reform when drafting in this bill.

I will be happy to support this amendment. As I say, it does not go far enough. Religious institutions should be teaching that we should not expect something for nothing. It is shocking to see that they might be permitted, under this bill, to carry on games of chance. There are the very people who would condemn a man who becomes addicted to gambling, whether at the race track, in a poker game or in whatever form it may appear. Now, of course such a man will be encouraged in a large way to believe this is a good thing. He will even be encouraged, in the advertising that will follow, to believe that in some way he is supporting his country because he buys lottery tickets on a regular basis.

• (9:30 p.m.)

If that is the kind of attitude we are going to generate amongst the people of this country, then God help us all because we have fallen far short of understanding what it is that really makes for an effective society in which people work together, not for one person to gain a great many advantages over another without earning them, but in which each individual makes his own contribution for the mutual benefit of all.

I plead, as other members have done, that the minister give this matter very serious consideration. I would also speak frankly to hon. members on all sides of the house, telling them that in my estimation this is the most illiberal aspect of these amendments to the Criminal Code.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I wish to express my support for the amendment moved by the hon. member for Winnipeg North Centre (Mr. Knowles) for reasons that I do not think have yet been expressed this evening but that I believe are in the minds of members in all parties. I support the amendment because it seems to me that government lotteries whether they be federal, provincial or municipal, are essentially an evasion of the principle of responsible government. They are an attempt at the evasion of the consequences of taxation legislated by parliament, legislatures and municipal councils. They are an attempt to finance government by taking advantage of something that might be considered a weakness in all of us. They are an appeal to an instinct or to a state of mind that has been generated through the brainwashing that has taken place for so many years, the brainwashing which says that there is something intrinsically bad about a tax dollar spent, and something intrinsically good about a dollar spent by or for private endeavour.

Government lotteries in my opinion are an attempt to create a myth or an illusion that there is an easy way to finance the cost of governing ourselves. They are not an easy way, Mr. Speaker. Those of us who are in parliaments, legislatures and municipal councils know that the ways of paying for governing ourselves are never easy. All of us, as legislators, accept the responsibility of assessing the costs of governing ourselves, and from time to time should we assess the wrong ways of taxing ourselves we should be prepared to accept any consequences. Lotteries are an attempt to evade such consequences.

Whatever demand there may be in the country for lotteries, be it a majority demand or a minority demand, be it from some provinces or municipalities, even be it in the minds of some of the members of the government, I submit that demand has arisen mainly as a result of the brainwashing that has take place as a result of the unholy amount of editorials and publications that have continually condemned government spending and government taxation. This myth that there is something bad about a tax dollar spent and something good about a private dollar spent needs to be exploded once and for all.

It seems to me that legislators above all should be doing a positive job in stressing the value of tax dollars, in urging citizens to be concerned about those from whom tax dollars are raised and how they are raised and spent,

as well as the amount of tax dollars. As I have said, lotteries are an attempt to evade the principle of responsible government.

I hope that the Minister of Justice (Mr. Turner) will change his mind and will agree that the amendment moved by the hon. member for Winnipeg North Centre is valid.

I do not know if this will be a sufficient reason for the hon. member for Egmont (Mr. MacDonald), but I submit that when a church, a lodge or a fraternal organization has a raffle, a punch board, or whatever other means they may use to raise funds, in almost all cases the overwhelming majority of those funds are raised from their own members. It is a way of taxing themselves to pay for their own organization. It may also be an admission by an organization that it is unable to do its financing through what could be considered more ethical and moral means. But it is still a way of taxing themselves for their own benefit because they cannot go to property, incomes or corporations for their financing. They rely upon voluntary giving, and they look upon raffles as a form of voluntary giving.

I suppose that all hon. members, after spending a week-end in their constituencies, return here with pockets full of raffle tickets. If one were to add them up they would represent a fair number of dollars over a year and very few, if any of us, have ever won a prize. I know I haven't. I am a born loser in these things. I hope that I am making some reasonable rationalization as between state lotteries and raffles held by fraternal, charitable and religious organizations. I might say, Mr. Speaker, that I consistently refuse to buy a raffle ticket from an organization whose aims and purposes I oppose. For example, I would never buy a ticket in a draw sponsored by the Liberal Association in Regina-Lake Centre constituency.

Mr. Turner (Ottawa-Carleton): But each time you run as a candidate for the N.D.P. that is the greatest gamble you can take of your life.

Mr. Benjamin: When political parties hold raffles in my constituency most of the proceeds come from their own members and supporters. It is a method of taxing themselves. But surely, it is not logical in a democratic society for a government to attempt to evade responsibility and the consequence of taxation by using lotteries as a mythical, easy way to help finance government. Surely, this is an appeal to base instincts and base motives. Surely, it is an appeal to greed and selfishness of the worst kind. While this may be bad for individuals and small organizations, surely it is doubly bad for governments. I hope that the Minister of Justice will agree that the responsibility for and consequences of tax levying by governments must remain with the field of legislating for taxation rather than in the field of lotteries.

[Mr. Benjamin.]

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, now before the house is a motion proposed by the hon. member for Winnipeg North Centre (Mr. Knowles) to delete from the omnibus bill, paragraphs (a) and (b) of clause 13 seeking to legalize lottery schemes at the levels of the federal as well as the provincial governments.

Mr. Speaker, clause 13 of the omnibus bill reads in part as follows and I quote paragraph (a) of subsection 1:

> (a) for the Government of Canada to conduct and manage a lottery scheme in accordance with regulations made by the Governor in Council—

Moreover it would be legal, and I read paragraph (b):

> (b) for the government of a province, either alone or in conjunction with the government of another province, to conduct and manage a lottery scheme in that province, in accordance with any law enacted by the legislature of that province—

Mr. Speaker, it is then a matter of establishing a national lottery scheme, making it possible for a province to participate. On the other hand, those of us who follow those questions closely, already know about a municipal lottery which, in fact, is nothing but a voluntary tax levied by the City of Montreal.

The City of Sherbrooke has also approved the establishment of a municipal lottery similar to that of Montreal but on a smaller scale.

However, in paragraph (c) of the bill, it is further proposed to legalize any lottery scheme for a charitable or religious organization, under a licence issued by a province, provided the benefits are used for charitable or religious purposes.

• (9:40 p.m.)

Mr. Speaker, there are consequently many kinds of lotteries. In my opinion, it is important then to distinguish among them, with regard to the amendment of the hon. member for Winnipeg North Centre that seeks to reject the government proposals.

In order to facilitate that study, Mr. Speaker, we must ask ourselves the following question: Why establish a lottery system? What reason prompts us to set up and operate such a system? What is the purpose of those clauses? When considering the matter a little more thoroughly, Mr. Speaker, we realize that the provinces in general are all in favour of setting up a lottery.

Apparently, the federal government is completely in favour of a lottery system. We note that more and more municipalities also wish to establish their own lottery system.

Why do the various levels of government wish to establish a lottery system, as if it were bones for dogs?

I think, Mr. Speaker, that the answer is simple enough. In the first place, the various governments, when establishing a lottery system, want to solve their financial problems. Some representatives of the federal, municipal or federal governments openly state that they want to support their administration and obtain an additional source of income.

Other representatives who are not so honest, at the municipal as well as at the provincial or federal levels, do not say that it is partly to solve their financial problems, but basically, that is the reason which motivates them.

As for the second reason, I think it is because an original solution was found to the financing, planning and construction of hospitals, homes for the aged, jails, etc.

In my opinion the third motive is the following: The provincial, municipal and federal governments wish to seek a source of revenue other than taxes because the population is overtaxed at the federal, provincial and municipal levels.

And the finest example is that of the city of Montreal where Mayor Drapeau had no other choice than to establish a "voluntary tax", according to his own words in order to enable the city of Montreal to honour its obligations. This also was intended to secure another source of revenue, to channel other income from the general public while not leveying a new tax which would have been badly received by the people.

Therefore, Mr. Speaker, if we follow up this logical reasoning, each of these levels of government must levy a tax in disguise, a tax which we want to sugarcoat to make it more palatable, a tax which we would like to be voluntary, because less and less people are paying up spontaneously.

Mr. Speaker, this brings me to a basic principle which might enlighten us. I think that first of all we must clearly establish that this is a lottery scheme and what we just said shows it is an admission that the monetary system is unable to fulfil its purpose, and to meet community as well as individual requirements.

The wish to establish a lottery or a national, provincial or municipal lottery scheme, is an admission of incapacity, Mr. Speaker, in view of the increasing obligations, the more and more serious financial problems and the greater financial frictions that result from the bigger loans we must make abroad to honour our obligations.

The wish to establish a lottery scheme is, in my humble opinion, an admission of the incapacity of our present monetary system to achieve its purpose, which is to meet the needs of the people.

That is why, at the present time, the governments have no choice—at least, that is what they say—but to establish what many have called a national barbotte, in which any one will flounder, take a chance or bet, knowing that there will be only one big winner, the government, the State, and that always at the expense of the individual. Mr. Speaker, I feel that this is fundamental.

The wish to set up a lottery scheme is an admission of imcompetency considering the increased financial requirements of our provincial, municipal and federal administrations.

Secondly, the amendment to the Criminal Code concerning lotteries is a way of evading the basic problem, that of money.

Mr. Speaker, the governments are confronted more and more with financial problems they are unable to cope with, for they are blind and obtuse, and absolutely refuse to examine seriously our proposals. They well know that the Canadian people are unable to pay more taxes, as they are already overtaxed.

At the present time, the federal government is raising illegal taxes which are not authorized by the Parliament of Canada. He needs money, but he does not want to say so to the people. That is why he is in favour of a lottery system.

While he is putting up a gigantic advertising campaign to incite people to buy a ticket for this or that lottery, in short, to take part in this national barbotte, the state, that is the provincial, the federal or the municipal government, collects this money and reduces the buying power of the Canadian people by that

amount. It is a disguised tax used by governments who do not take their responsibilities.

But what is even more serious is that the problem always remains there, dormant, inherent to our complex situations, to our financial problems, and nobody has enough courage to try to solve them.

• (9:50 p.m.)

Thirdly, a lottery is, in my humble opinion, merely an essential source of additional income for governments, whether they admit it or not, because they cannot increase their revenues without levying more taxes.

However, I cannot help, but say that governments are blind because they want to.

Mr. Speaker, if the government was willing to consider our solution, that is to resort to the Bank of Canada to finance the building of hospitals and schools, of roads and bridges, etc. it would then really tackle the problem.

On the other hand, the philosophy that has led to the establishment of this national bank was to serve the Canadians. Moreover, this is provided for in the British North America Act.

However, the governments that have succeeded one another since confederation have always been and are more and more in the pay of high finance. In fact, municipal, federal and provincial governments are in the pay of high finance and make annual pilgrimages abroad in order to borrow the amounts necessary to run the country. However, here in Canada, they want to set up a lottery system.

How stupid and illogical is our present fiscal and monetary system since it prompts us to take measures which are not bad in themselves but which compel us to acknowledge that we are powerless and blind in front of a problem whose solution is becoming more and more imperative.

That is why, Mr. Speaker, I am pleased to support the motion of the hon. member for Winnipeg North Centre, designed to make illegal the establishment of a lottery administered by the Canadian government or by the provinces. And why, Mr. Speaker? Because this would be to negate the real problem, to lie to the country, in short we would be deluding ourselves, we would be deceiving the population, we would be dodging our basic responsibilities which are primarily to manage public funds.

Mr. Speaker, if we favour a national lottery with a view to allowing people to co-operate in financing the public domain, we have only to abolish all federal taxes and ask those who are willing to participate in the federal government barbotte by sending them their contributions. Then those who do not want to pay taxes will be forced to pay them, and those who are crazy enough to pay taxes will be allowed to do so.

Mr. Speaker, to my mind that is illogical. The government wants to levy new taxes, but there is not a single minister who has the courage to do so. When they do, they put out a book of about 500 pages; they hide the tax in the middle page and make us swallow it as if it were a pill.

Mr. Speaker, whether our taxes are called social progress taxes, social recession taxes, or surtaxes, we go around in circles, because the solution has not been found. The Canadian people are allowed to take part in national barbottes which, at best, reduce the purchasing power of the taxpayers at a time when they need more and more of it.

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

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under Standing Order 40 deemed to have been made.

CANADA COUNCIL—GRANT TO STANLEY GRAY —REQUEST FOR INVESTIGATION OF POLITICAL ACTIVITY.

Hon. W. G. Dinsdale (Brandon Souris): Mr. Speaker, I propose tonight to raise the question in a very formal and deliberate way of the award of a Canada Council grant of $5,500 to one Professor Stanley Gray. I raise this matter quite deliberately and with the full knowledge that the government, the minister, pundits and others may seek to misrepresent what I am saying and accuse me of interference with or opposition to the independent operation of the Canada Council. I am prepared to run the risk of that misrepresentation because I feel very sincerely that this matter involves two vital questions which must be considered in this parliament, as they are being considered in this country. My mail would indicate, as I am sure the mail of other hon. members does, that this question is being very seriously and earnestly considered by a great number of people in Canada. First, there is the legitimate question of the priorities of public funds and whether these limited funds should be spent to assist a person who is dedicated to the encouragement of

violence, disruption and intolerance in the country.

It is one thing to say that Canada Council awards should be given without regard to the political views of the recipient. That is a principle which I, along with most hon. members, support to the hilt. We do not punish a man for what he thinks. Freedom of speech prevails in this country. I have sat as a student in many classes in institutions of higher learning and observed the utmost freedom exercised in this regard. This is one of the functions of institutions of higher learning. It is my suggestion that it is not what Mr. Gray thinks that is offensive, but rather that what he does is offensive. This is offensive not only to the maintenance of order, which he seeks consistently to disrupt, but it is offensive also to the principle of fair, free and rational discussion.

By his own actions, Stanley Gray is branded as a man intolerant of the opinions of others and the processes of rational discussion and inquiry. By his own actions, he is identified as a man prepared to use his own so-called rights to limit and abuse the legitimate and accepted rights of others. That is why he is in trouble at McGill. If I had time I could quote the head of McGill University, Dr. Rocke Robertson. These matters have been completely aired in the press and I am sure hon. members are familiar with them. So far as I know, no one disputes Mr. Gray's I.Q. or intellectual capacity. But there are serious questions about his willingness to respect the views of others and his determination to disrupt the tolerant and orderly atmosphere necessary to a good university. These questions are serious enough to the authorities of McGill that they would deny tenure to this intelligent man. They are apparently not serious enough to persuade the Canada Council to invest its limited funds elsewhere, where there is greater priority from the standpoint of the development of Canadian nationhood.

• (10:00 p.m.)

Let me repeat, so there is no misunderstanding; the qualifications of Stanley Gray are not at issue. There have been Marxists even in this chamber. We recall that in one instance a member of parliament was dismissed from this chamber, not because of his Marxist views but because of his treason toward Canada. Stanley Gray's actions are at issue, and surely this parliament has the right to protest the granting of scarce public funds to subsidize the disruption of public order. As we discovered from our deliberations in the Standing Committee on Films, Broadcasting and the Arts, this action has brought about a crisis in the promotion of artistic development in this country.

The second important aspect of the matter concerns the respect Canadians will have for parliament and for the Canada Council if this award should pass unchallenged. It is a sad state of affairs when we have agencies set up by parliament and by the government which protest because we have the audacity to challenge their actions. This is a trend toward bureaucratic madness that must be stopped if we are to maintain the democratic process in this country.

Canadians are seriously disturbed by the disruptive actions and revolutionary ambitions of persons like Stanley Gray. I have a personal interest in this matter because, over the week end, I was called to an emergency meeting of what used to be a quiet campus, the University of Brandon. The president of that university a very distinguished Canadian citizen well known in this city, Dr. John Robbins, tendered his resignation because of the sort of thing being promoted by Stanley Gray. The story is on the front page of the *Journal*. I was delighted to see that Dr. Robbins, who is an academician beyond challenge, a supporter of the arts, humanities and social sciences in this country from a long time back, was saying that he could no longer endure this sort of authoritarianism on the campus because it repels him. This is not an ordinary citizen; he is a man distinguished in the arts, humanities and social sciences.

A man like Gray can win attention for his views by disrupting the orderly and regular processes of the country. Does the view of the ordinary Canadian not also deserve attention? To suggest that parliament should remain silent on this question is to suggest that the long-suffering, ordinary Canadian should not even be allowed to use the high court of parliament to register his protest. Members of parliament have a right and a duty to protest when such a man receives a subsidy from our government.

The reputation of the Canadian Council is also at stake. I think this is also one of the reasons why the matter should be dealt with. I see, Mr. Speaker, that you are rising to tell me my time has expired. I want to make just one final statement. It also seems that in protecting this man we are suggesting the award was made to him because of his revolutionary

and disruptive tendencies. If this is so, I can only describe it as the subsidization of subversion.

Mr. Robert Stanbury (Parliamentary Secretary to the Secretary of State): Mr. Speaker, the hon. member has not posed a question, so I am not able to answer one. I take it from his remarks that he was doing one of two things: either he was attempting to bring to the attention of the Canada Council his view, and the view of many Canadians, that the council has made a mistake in reaching this decision, or he was suggesting there should be an amendment to the Canada Council Act to restrict the council as to the criteria it takes into consideration when making such grants as this.

The hon. member recognizes that the council is independent of the government by reason of the act and he seemed to approve of that independence. I should like to remind the hon. member and the house that during the debate on the Canada Council bill, as reported in *Hansard* of January 18, 1957, the right hon. member for Prince Albert (Mr. Diefenbaker), speaking of the chairmanship of that body, stated:

> I say that the chairman of this body should be one who in no way will be subject to any suggestion that in the slightest degree the council might be subject to outside influences. Following any other course would in my opinion strike a blow at the validity and prestige of this council even before it became operative.

And after he had become Prime Minister, the right hon. gentleman, answering a question as reported in *Hansard* of November 27, 1957, spoke approvingly of the action of the former Prime Minister, Mr. St. Laurent, in emphasizing, while introducing the resolution preceding the Canada Council Act that the council should be made as free as possible of government interference.

Mr. Dinsdale: Hear, hear.

Mr. Stanbury: I think the hon. member accepts that principle. If his purpose tonight has been to draw his concern and the concern of some Canadians over this matter to the attention of the Canada Council, I shall be pleased to see that his concern is expressed to that body, as I agreed it should be. If his purpose is to suggest that there should be an amendment to the Canada Council Act, I will be pleased to discuss with my minister any suggestions he may have to make in that regard.

[Mr. Dinsdale.]

• (10:10 p.m.)

[*Translation*]

CANADA COUNCIL—GRANT TO STANLEY GRAY

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I feel there is a certain coincidence in the fact that the matter I wanted to discuss this evening is the same one that the hon. member for Brandon-Souris (Mr. Dinsdale) has just brought up.

Mr. Speaker, that means that the members of this house are very much interested in obtaining information on the grant to Mr. Stanley Gray, a university student.

On April 17 last, I asked the Secretary of State if he could tell us whether Mr. Stanley Gray has applied himself for a Canada Council grant, filled in the requested application form and passed the necessary examinations for obtaining a grant.

Mr. Speaker, considering the attitude of the beneficiary of the grant, and as we know all about his rather subversive activities, we have a right to ponder a few points. What is the purpose of the Canada Council in giving a 5,500 dollar grant to that individual? Apparently it is to enable him to carry on studies in economics at Oxford University; and to achieve a complex study on the electoral and political attitudes in North America and in Western Europe since 1945, with a view to preparing his Ph.D.

In my opinion, Mr. Speaker, a 5,500 dollar grant for such studies is quite unnecessary; indeed, as far as electoral and political attitudes in North America and more particularly in Canada are concerned, there is a study in two volumes on that subject, that Mr. Gray or anyone else, can get for about 5 dollars.

I imagine that similar studies have been made in the United States. Besides in any European country where elections are still free, at least to some extent, it is possible to get some kind of data on that subject.

I cannot see the point of a study on electoral and political attitudes of any given country since such studies are already available.

This makes me wonder why, out of public funds, we should make such considerable grants for a type of work which would be redundant, whereas there are thousands of young Canadian students who cannot get grants from Canada Council to carry on their studies in the field of arts or various other subjects.

In my view, if the purpose of the Canada Council is to promote culture and to allow

Canadians to perfect their knowledge, there are enough gifted applicants anxious to make such studies for the benefit of Canada and not by promoting subversion or by trying to destroy law and order, but rather by contributing to the development of our country.

So, I would like to know if the application was filled in appropriately and in the same way as other Canadians who apply for Canada Council grants.

[*English*]

Mr. Robert Stanbury (Parliamentary Secretary to Secretary of State): Mr. Speaker, in answer to the hon. member's original question, the Canada Council advises me that Mr. Gray completed an application form on his own initiative and submitted it to the Council according to the normal procedure. His application was studied by five senior political science professors comprising the preliminary selection committee. His application was then forwarded to the steering committee of the Council's academic panel, then to the 15 men panel itself and finally to the full Council. Mr. Gray's application was one of 3,603 submitted. Of this number, 2,165 received doctoral fellowships.

As the hon. member has mentioned, Mr. Gray indicated he would write his doctoral thesis on "Voting and Political Attitudes in North America and Western Europe since 1945". My only comment would be that this hardly justifies the suggestion that the grant would be a subsidization of subversion. However, I will convey the views of the hon. member to the Canada Council, as I will the views of the previous questioner.

Motion agreed to and the house adjourned at 10.17 p.m.

HOUSE OF COMMONS

Tuesday, April 22, 1969

The house met at 2 p.m.

ROUTINE PROCEEDINGS

PROCEDURE AND ORGANIZATION

First report of Standing Committee on Procedure and Organization—Mr. Blair.

TERRITORIAL SEA AND FISHING ZONES ACT

AMENDMENT TO INCLUDE ALL WATERS ABOVE CONTINENTAL SHELF AS EXCLUSIVE FISHING ZONE

Mr. David Anderson (Esquimalt-Saanich) moved for leave to introduce Bill C-189, to amend the Territorial Sea and Fishing Zones Act.

Some hon. Members: Explain.

Mr. Anderson: Mr. Speaker, the present Territorial Sea and Fishing Zones Act which was passed in 1964 has been unsatisfactory in that it requires us to do certain things. It ties fishing zones to base lines drawn along the shore. The purpose of this amendment is to allow all waters above the continental shelf to be declared fishing zones exclusive for Canadian fishermen, without going into the question of territorial seas, headland to headland base lines or other similar problems which are at present confusing the problem of exclusive fishing zones.

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

[*Translation*]

PRIVILEGE

MR. CAOUETTE—ALLEGED UNFAIR PROHIBITION BY C.B.C. IN TAPING PROGRAM

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, as a member of Parliament and as the leader of a recognized federal political party, I wish to protest strongly against the treatment I was given by a Crown corporation, namely the C.B.C., last week in Western Canada.

In fact, Mr. Speaker, I was to be interviewed last week on the national telecast called "Les Affaires de l'État", on the French network, and "Nation's Business", on the English network. I wanted to have the program pre-taped in a Vancouver studio of the C.B.C. and the producers asked me to fork out $300 when they had contacted the C.B.C. authorities in Ottawa. The same thing happened in Edmonton at the C.B.C. studios.

Mr. Speaker, as it is only in the house that a member may object to the actions of a corporation whose operations will cost $166 million this year to the Canadian people, and which is unable or unwilling to use the facilities of the Corporation outside Ottawa and Montreal, I want to bring this fact to the attention of the minister responsible and of the house, so that everyone will know that last week we did not appear on the program "Les Affaires de l'État." I suggested to the C.B.C. to invite instead Charlie Chaplin or the president of this Crown corporation.

Mr. Speaker: The hon. member may have a grievance, but I doubt that his question of privilege is justified.

• (2:10 p.m.)

[*English*]

ORAL QUESTION PERIOD

DOMINION-PROVINCIAL RELATIONS

PARTICIPATION OF MUNICIPAL UNITS IN INTERGOVERNMENTAL MEETINGS

Hon. Robert L. Stanfield (Leader of the Opposition): I would like to ask the Prime Minister, Mr. Speaker, whether he has requested the Canadian Federation of Mayors and Municipalities to present to the secretariat of the constitutional conference specific proposals for participation in future conferences by official representatives of the municipal governments of Canada?

Right Hon. P. E. Trudeau (Prime Minister): To be more precise, Mr. Speaker, it was Mr. Lawless, who I believe is the research director or permanent secretary of the Council of Mayors and Municipalities, who suggested they would submit to the conference

secretariat the type of recommendation the Leader of the Opposition suggests. He mentioned something to the effect that they would be represented in some way at the federal-provincial conference. I said I approved of the method in which they wanted to proceed. If they had any such submissions to make, they should not be made to the federal government directly, but to the secretariat, which is at the disposition of the provincial governments as well as the federal government.

Mr. Stanfield: A supplementary question, Mr. Speaker. Does this mean that the Prime Minister contemplates requesting that the terms of reference of the constitutional review be enlarged, as requested by the mayors yesterday? Is the Prime Minister going to consider and eventually define the most appropriate means for the inclusion of municipal representation on intergovernmental bodies which deal with policy of major municipal concern?

Mr. Trudeau: No, Mr. Speaker. It means that in so far as the constitution now exists and in so far as arrangements for federal-provincial meetings now exist, it is up to the provinces to decide how their representation should be composed.

I suggest that if the provinces decide to bring as part of the provincial delegation representatives of the municipalities it would, of course, be their right to do so. As things now stand under the constitution and arrangements, Mr. Speaker, the federal government cannot by itself invite the municipalities.

Mr. Stanfield: A further supplementary question, Mr. Speaker. I understand, of course, the provinces can bring along municipal representatives to the constitutional conferences as observers or indeed active participants in their delegations. Is it not correct that the Council of Mayors and Municipalities proposes to submit to the secretariat of the constitutional conference specific proposals which would enable municipal governments in the future to participate actively in the deliberations of intergovernmental bodies which involve matters of municipal concern? Is this not what the Prime Minister has agreed to the association submitting to the secretariat?

Mr. Trudeau: Mr. Speaker, there was no discussion or agreement on the substance of their submissions. In a very general way, Mr. Lawless said he wanted to submit to the secretariat of the Federal-Provincial Conference certain proposals concerning their representation.

To repeat my first answer, I said that was the proper procedure, rather than making representations to the federal government. If they have representations to make along these lines, they should either be represented as part of the provincial delegation or, if they wanted to address themselves to the conference proper, they should do it through the federal-provincial secretariat, not through the federal government.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question, Mr. Speaker. In order to strengthen the representations made by the Canadian Federation of Mayors and Municipalities, would the Prime Minister undertake to consult with the provinces with a view to reaching some agreement as to the techniques by which the municipalities could be involved in having a voice in the various federal-provincial meeting, where decisions affecting them are being discussed?

Mr. Trudeau: I have no objection to this consultation, Mr. Speaker, apart from any that might be proposed by the provinces themselves. It seems to me the provinces would be on justifiable ground if they were to say to any such consultation, "Well, we will decide how you will be represented." That is why, to repeat what I said in my answer to the Leader of the Opposition, I prefer that the initiative come through the secretariat which serves both levels of government. If it were to come from the federal government it would more likely bring about resistance from the provinces, based on the question of constitutionality.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the Prime Minister if he would be prepared to consider having placed on the agenda of the conference the advisability of setting up an urban affairs council on which all three levels of government would be represented, for the purpose of discussing the co-ordination of the three levels of government on matters affecting particularly large urban municipalities?

Mr. Trudeau: I am inclined to think that such an initiative would be premature on our part. The question of the division of powers between the federal government and the provinces under the constitution is a subject

which is being discussed now at the official level. This, it would seem to me, would be the proper way in which the question of municipal representation and jurisdiction under the constitution should be arrived at, as part of the discussion of the division of powers between the federal government and the provinces.

Mr. Stanfield: As a further supplementary question, Mr. Speaker, is the Prime Minister considering or is he prepared to suggest to the constitutional conference that its terms of reference be broadened to include a consideration of participation by municipal units in inter-governmental conferences?

Mr. Trudeau: No, Mr. Speaker. I think it would be unwise to do so. The municipalities, legally speaking and constitutionally speaking, are creatures of the provinces. I hope this subject will be brought before a conference, but I do not think it would be proper for the federal government to press it or to impose it on the provinces. I hope it would come by way of initiative from the municipalities themselves, as they suggested they would do, or by way of provincial action at the first initiative; but I repeat that the federal government would of course be very happy and anxious to discuss all these aspects of it.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to put a supplementary question to the Prime Minister.

Could he tell us whether, in agreement with the provinces, he would put on the order paper an item for the consideration of the possible use of the Bank of Canada to help finance municipalities?

[*English*]

OPPOSITION REPRESENTATIVES AT MEETINGS HELD IN CAMERA

Mr. David Lewis (York South): Mr. Speaker, arising out of the information which the Prime Minister gave the house some days ago, that this time the conference would be in camera, I would like to ask the right hon. gentleman whether, in spite of the fact that it is not going to be open to the public, he and the prime ministers of the provinces are giving consideration to inviting members of opposition parties as observers to these in camera discussions?

Right Hon. P. E. Trudeau (Prime Minister): This had not been contemplated, Mr. Speaker, for the reason that I gave the other day about holding the conferences proper in camera. They will not be conferences merely of the representatives of the public, the ministers and the prime ministers, but will be conferences which officials will also be attending. This mixture was requested by some of the provinces themselves. It was not a federal initiative, but we agreed to it because it seemed like a plausible and acceptable idea. When we have such a mixture of ministers and officials we feel the conferences should be held in camera.

Mr. Lewis: Mr. Speaker, as a further supplementary question, precisely because of the nature of the meeting I would like to ask the Prime Minister whether he would not reconsider the refusal, and again discuss with the prime ministers of the provinces that because the conference will be held in camera, there would not be value in having other members of parliament and other members of the legislatures in opposition parties knowing what is going on in this on-going dialogue about the constitution?

Mr. Trudeau: I would be prepared to hear representations from the provinces on this, but I stated my own personal inclination and I understand that is also the inclination of the provinces. If they feel otherwise, I would be prepared to reconsider.

Hon. Robert Stanfield (Leader of the Opposition): Do I understand that the Prime Minister would object to a member of an opposition party being included in a provincial delegation to the conference? Does he not feel it might increase national understanding, or the understanding generally in respect of the problems involved in constitutional reform, if observers from opposition parties both at the provincial and federal level were included in this confidential discussion?

Mr. Trudeau: Well, in so far as the Leader of the Opposition is repeating part of the question of the member of the New Democratic party my answer is the same; but if he is suggesting that some province might wish to include any member of the opposition as part of its delegation, then it is up to the officials of that province if they want to be assisted by persons from the opposition.

Mr. Stanfield: Do I understand my hon. friend to suggest that he does not require any assistance from us on this side of the house?

Mr. Trudeau: That is a different matter, Mr. Speaker.

Inquiries of the Ministry

[*Translation*]

CANADA COUNCIL

GRANT RECEIVED BY CHANDLER DAVIES

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to direct a question to the Prime Minister.

I am informed that Mr. Chandler Davies, from the University of Toronto, considered as a notorious Communist in the United States, received last year from the Canadian government a $6,350 grant for research purposes in Russia and that this year he will receive $15,-130 for research purposes at the University of Toronto.

Could the Prime Minister tell us whether he intends to set up some kind of inquiry to find out whether or not Mr. Chandler Davies is indeed a notorious communist?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know if this grant has been given by the Canada Council. If such is the case, I think that the question should be directed to the Secretary of State.

AIRPORTS

INQUIRY AS TO COST OF STE SCHOLASTIQUE SITE

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

In view of the statement made by the Quebec Minister of Municipal Affairs to the effect that choosing Ste Scholastique as the site of the new Montreal international airport will cost the province of Quebec an additional $120 million, can the minister explain this difference for the guidance of the house?

Mr. Speaker: It seems to me that, in those terms, the question—

[*English*]

Hon. Paul Hellyer (Minister of Transport): Yes—

Mr. Speaker: Order, please.

[*Translation*]

The hon. member is asking the minister to make a statement and explain the difference between two amounts. To my mind, the question should be expressed differently.

Mr. La Salle: Is it true that because of the site chosen for the airport, the project will cost $120 million more to the province of Quebec?

[Mr. Trudeau.]

[*English*]

Mr. Hellyer: The answer is no, Mr. Speaker. The figures which were prepared and which were made public by the Department of Transport at the time the government decision was announced were based on the cost of providing ground transportation to service the airport, the traffic to the airport and the extra traffic generated as a result of the location of the airport. This was a consistent yardstick which was used in the evaluations of each of the sites.

The province has added the additional cost of supplementary road systems necessary or perhaps desirable to provide economic growth along the corridor bordering the river. They have also added a part of the cost of the trans-Canada highway. This of course may be a desirable expenditure but it is an expenditure which, as is apparent, is not directly related to the airport. If one were to do an evaluation on that basis he would have to add the same kind of additional costs to each of the figures in order to have a fair comparison. The answer is that the figures we gave were quite correct. These additional figures are related to consequent industrial development, which is desirable but not an essential part of the cost of the airport.

[*Translation*]

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I have a supplementary question.

According to a statement made by Hon. Robert Lussier, Minister of Municipal Affairs of the province of Quebec, the purchase of the land will cost the Canadian taxpayers $91 million more than that of the land located south of Montreal. Will the minister tell us whether the government will reconsider its decision and begin discussions with the Quebec government?

[*English*]

Mr. Hellyer: I do not have too much confidence in Dr. Lussier's figures, Mr. Speaker.

Mr. Ricard: They are just as good as yours, if not better.

Mr. Hellyer: I prefer to use our own which were arrived at with care and with the same kind of comparison as to the various sites.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to ask a supplementary question.

Since the government of the province of Quebec has produced an estimate concerning

the cost of the new airport that is at variance with that provided by the federal government, would the Minister of Transport look into the matter to see whether it would be advisable to review both studies to arrive at a proper conclusion, for the Canadian people are anxious to know what they will have to pay for that airport.

[*English*]

Mr. Hellyer: Mr. Speaker, we did re-study it. The Minister of Regional Economic Expansion and myself spent three hours with the representatives of the provincial government a few days ago, at which time we looked at the figures they had. As I indicated subsequently, there was nothing new. They had added the cost of supplementary roads desirable for the future economic expansion of that part of the province of Quebec. If one were making that comparison, he would have to do so in respect of the other potential sites as well. I have confidence that the comparisons reproduced were as fair as any comparison could be, with the information available, and I can see no reason for reopening the discussion in so far as the basic data is concerned.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the minister whether in arriving at the estimates he or the government was able to draw upon the same expertise which was used in connection with the *Bonaventure* and the National Centre for the Performing Arts?

Mr. Hellyer: The expertise was not identical, Mr. Speaker.

[*Translation*]

Mr. La Salle: Could the minister tell us today whether the decision of the government is final?

DRUMMONDVILLE, QUE.—RECOMMENDATION AS SITE FOR INTERNATIONAL AIRPORT

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I should like to ask a question to the Minister of Transport.

Could he tell the house if, during the negotiations concerning the international airport the provincial government recommended to the Minister of Transport the site of Drummondville?

[*English*]

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, the provincial government indicated its preference for one of two sites on the south shore of the river. One of those was near Drummondville and the other was close to the United States border. In both cases there were technical objections, cost considerations and considerations of the accessibility for passengers and other users of the airport, which we felt were over-riding those reasons advanced for choosing one of those sites.

[*Translation*]

[*Later:*]

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I would like to put a question to the Minister of Transport.

Is he aware that yesterday afternoon the Quebec Minister of Municipal Affairs stated that his government had never recommended that the new airport be built at Drummondville?

[*English*]

AIR CANADA

STRIKE OF MECHANICS—TRANSPORTATION OF PERISHABLE GOODS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, in view of the air strike has the minister had any negotiations in respect of the transportation of perishable goods by certain Canadian industries, such as chicks by the poultry industry and flowers by the florists, using C.P.A. or other companies?

An hon. Member: What kind of chicks did you have in mind?

Mr. Woolliams: Not the kind that have been written up recently in a weekly magazine by some of the girls.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I must confess I did not quite catch the first part of my hon. friend's question. Did he ask whether I had received representations from these people?

Mr. Woolliams: Yes, Mr. Speaker.

Mr. Hellyer: Not to my knowledge, but they may have come into my office since I have had a chance to check.

Mr. Woolliams: Mr. Speaker, I was wondering whether the minister would consider the representations from this side of the house and see if those perishable goods could be moved across the land in the fashion followed by Air Canada, because there is no room for them in the aircraft of other air companies in

Canada. As a result, this situation is costing the industry millions of dollars.

Mr. Hellyer: Yes, Mr. Speaker, we will be glad to check on the chicks, and make every possible arrangement to see that the needs of the shippers are met within the capability of the equipment available.

Mr. Woolliams: I know the minister is trying to be humorous, Mr. Speaker, but I am talking about all perishable goods. I am asking him whether he will make a serious representation to these companies to assist Canadian industry in the transportation of perishable goods.

Mr. Hellyer: Yes, of course, Mr. Speaker. I am sure they are already aware of the problem. I will be glad to pass on my hon. friend's representations, together with my own.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker, to the Minister of Transport. I point out that when the strike was first anticipated last week I asked the Prime Minister whether any consideration was being given to the matter of alternative forms of transportation for perishable commodities. He said that a committee of cabinet was doing this. When I asked him on Friday to what members the representation should be made, he named the Minister of Transport. Since that time, after contacting the minister's office and the Board of Transport Commissioners I can find no arrangements at all. I am wondering whether the minister would undertake to make a statement tomorrow as to what alternative arrangements have been made for the movement of perishable goods. I think in particular of perishable goods from Vancouver Island to the prairies, which are adversely affected by this strike. I ask the minister to make such a statement so that the public will know what arrangements he has made. At the present time we have been unable to obtain any information in this respect.

Mr. Hellyer: Mr. Speaker, if my hon. friend would like to give me specifics, such as the one he has just indicated, I would be glad to look into the matter. But as he knows, the Canadian Transport Commission have authorized a number of temporary routes, with the end in mind of doing exactly what has been suggested, namely providing service to the Canadian travelling public. I am sure that where excess space is available, cargo will be carried as well.

[Mr. Woolliams.]

STRIKE OF MECHANICS—DEPARTMENTAL AIRCRAFT TO HANDLE AIR FREIGHT

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I have a supplementary question for the Minister of Communications. I wonder whether the minister is now in a position to answer the question I asked him yesterday concerning the possibility of using D.O.T. and D.N.D. aircraft to transport the mail, so as to liberate freight space on C.P.A. and other air lines, thus making it possible for flower growers and other people to make use of commercial air transport services.

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, my first responsibility is to ensure that the mails go through.

Some hon. Members: Oh, oh.

Mr. Baldwin: When do we start?

Mr. Ricard: You have not yet accepted your responsibility.

Mr. Kierans: We have not yet found it necessary to look for aircraft from D.N.D. Perhaps my colleague could liberate some of his own aircraft for the transportation of chicks across the country. We are quite satisfied at the moment with the facilities that are being made available to us to transport the mail across all areas of Canada.

Mr. Woolliams: Mr. Speaker, I would like to put this one, last supplementary question. Can the Minister of Transport tell us which crisis he will end the sooner, the housing crisis or the transportation crisis?

AGRICULTURE

ASSISTANCE TO FARMERS IN COMPENSATION FOR LACK OF GRAIN SALES

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of Agriculture. As a result of the recent visit of the agricultural committee to the west, where they found ample evidence of economic stagnation, does the minister intend to recommend to the government that emergency assistance be provided, in line with the Prime Minister's concern over regionally depressed areas, in the form of acreage payments or any other form which would alleviate the situation temporarily, pending further action?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, as the hon. gentleman knows, I returned to Ottawa just this morning. I am

expecting to have a report from the agricultural committee which made a tour of western Canada, as soon as it is convenient for them to meet with me.

POTATOES—REQUEST FOR STATEMENT ON ASSISTANCE TO P.E.I. GROWERS

Mr. David MacDonald (Egmont): A supplementary question, Mr. Speaker. In view of the statement made earlier by the minister in the house with regard to the meeting he had with representatives of the agricultural industry in Prince Edward Island with respect to the very serious situation there in terms of potato markets, and the plight of the growers for this season, would the minister be prepared this week to make a statement on policy as to the form of assistance his department will give in order to alleviate this very serious situation?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the hon. member is aware that we initiated the diversion of some of the inventory of potatoes to starch plants. This program is now operating to the full capacity of starch plants in the maritime provinces. Whatever favourable effect this diversion program had on the potato market of New Brunswick is, of course, reflected in the market for all the maritimes. I am prepared to admit that it has not been significant. But to date the plans that have been presented to us by the government of Prince Edward Island would not in our view be practical inasmuch as they have been tried before and have not proved satisfactory.

Mr. MacDonald (Egmont): A further supplementary question, Mr. Speaker. In view of the fact that time is running out for the growers this season, would the minister reconsider the action taken by the government last season? While he himself expressed some reservations about its effectiveness, I believe it was as effective as possible, in terms of a short term solution, in easing the situation of Prince Edward Island farmers.

Mr. Olson: Mr. Speaker, we have considered this a number of times, and on balance I am persuaded by the representations that have been made to me, namely, that the program we undertook last year was not particularly popular or favoured among the producers themselves.

[*Translation*]

POTATOES—PROGRAM FOR QUEBEC GROWERS

Mr. Gaston Clermont (Gatineau): Mr. Speaker, I have a supplementary question for the Minister of Agriculture.

If a second assistance program for potato-growers were established, would Quebec potato-growers be able to take advantage of it?

Mr. Speaker: The hon. member will admit that his question is hypothetical.

[*English*]

Mr. MacDonald (Egmont): It certainly is with this government.

[*Translation*]

GRAIN

WHEAT—SUPPORT PRICE AND TWO-PRICE SYSTEM

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I would like to put a supplementary question to the Minister of Agriculture.

Could he tell us whether he supports the two-price policy requested by the Saskatchewan farmers and the Saskatchewan "Wheat pool"?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the "two-price policy for wheat" is a pretty vague term that is subject to many interpretations. I am sure my hon. friend realizes that there are many specific details that are attached to the term "two-price system". But, generally speaking, we have taken a number of measures in order to alleviate the serious situation, and we are willing as well to consider specific proposals respecting this concept.

Mr. Baldwin: The government's policy is pretty vague, too.

WHEAT—SALES UNDER COMPETITIVE PRICING

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a question for the Minister without Portfolio from Saskatchewan. Could the minister inform the house what significant sales of wheat have taken place to foreign buyers since the Wheat Board decided recently to adopt a policy of competitive pricing?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, it is the custom to answer questions of that sort by saying it is not the

custom in this house to report on sales of wheat.

Mr. Speaker: Order, please. I see quite a few hon. members rising to ask supplementaries on this question. I wonder whether all should be recognized, because we are running short of time. Perhaps the hon. member for Mackenzie (Mr. Korchinski), who raised the matter originally, might be allowed a supplementary question.

WHEAT—SALES TO JAPAN

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, the minister's reply to my question indicated that he had just returned from a visit to Japan. We notice that he inspected some fish during that visit; but I wonder whether, for the benefit of the wheat farmers, he could indicate if there have been any sales of wheat in that area.

Mr. Speaker: Order, please. The hon. member for Brant (Mr. Brown).

Mr. J. E. Brown (Brant): Mr. Speaker, I should like to direct my question—

Mr. Ed Schreyer (Selkirk): On a question of privilege, Mr. Speaker—

Mr. Speaker: Order, please. I understand that the hon. member for Selkirk is rising on a question of privilege.

Mr. Schreyer: My question of privilege is this, Mr. Speaker. The matter raised by the hon. member for Mackenzie is vital and urgent. Inasmuch as no member of this party, representative as we are of several hundreds of thousands of wheat producers in western Canada, has had an opportunity to ask a question on this subject, perhaps Your Honour would allow one further supplementary.

Mr. Speaker: Order, please. The point is perhaps well taken. As the hon. member for Selkirk and a few other hon. members, I understand, are anxious to speak on this question, perhaps I might allow a few supplementary questions after the hon. member for Brant has asked his question.

INDIAN AFFAIRS

PLEA FOR SIMPLICITY IN LANGUAGE OF AMENDING MEASURE

Mr. J. E. Brown (Brant): Mr. Speaker, I should like to direct my question to the Minister of Indian Affairs and Northern Development. Would the minister advise the house as to whether the government will make sure that the new Indian Act will be drafted in simple, basic English and French, and not in legalistic terms, so that all Indians in Canada may comprehend it without difficulty?

Some hon. Members: Hear, hear.

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): I can assure the hon. member that the new policy which will make Indians of Canada equal citizens in this country will be very clear and simple.

GRAIN

WHEAT—MINIMUM GUARANTEED PRICE

Mr. A. P. Gleave (Saskatoon-Biggar): I should like to direct my question to the Minister of Agriculture. Is he in a position to indicate to the house what action the government proposes to take in terms of establishing a minimum guaranteed price for wheat in order to meet the present marketing situation?

Hon. H. A. Olson (Minister of Agriculture): The hon. member is well aware of the price ranges that are spelled out in the International Grains Arrangement, and I am sure he is also well aware of the fact that the Canadian government is playing a very positive role in attempting to encourage the countries of the world to respect the terms of that agreement.

Mr. Gleave: I have a supplementary question for the minister. In view of the fact that the prices are not being maintained at the minimum level specified in the International Grains Arrangement, will the government establish a minimum price for the farmer, so that he knows what his income will be?

Mr. Olson: It is the hope of the government that the minimum price range within the I.G.A. will be respected.

WHEAT—SUPPORT PRICE AND TWO PRICE SYSTEM

Mr. Les Benjamin (Regina-Lake Centre): I have a supplementary question, Mr. Speaker. I should like to ask the Minister of Agriculture whether, in his desire to have specifics on the two price system, and in view of the briefs presented by the premier of Saskatchewan on behalf of that government and of the briefs of the Saskatchewan wheat pool and of the government of Alberta, he would now advance the proposal to his colleagues that sufficient specifics are available for the

implementation of the two price system. I should also like to ask him whether, as a further source of specifics, he would read his own speeches which he made when he was a member of the Social Credit party on this side of the house.

Mr. Baldwin: That would be too much to ask.

Mr. Speaker: Order, please.

IMMIGRATION

DECREASE IN NUMBER OF ENTRANTS

Mr. Steven E. Paproski (Edmonton Centre): I have a question for the Minister of Manpower and Immigration. In view of the reported drop of 40,000 immigrants allowed into Canada in 1968, would the minister at an early opportunity announce what plans the government has to remedy this serious drop in entries into this country?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): There was a drop—

Mr. Speaker: Order, please. I suggest to the minister that this question is in order only to the extent that the hon. member is asking whether a statement will be made. Otherwise the minister cannot make a statement now.

RUDOLPH HOLATA—PROTEST AGAINST HOLDING IN CZECHOSLOVAKIA

Mr. Steven E. Paproski (Edmonton Centre): May I take this opportunity to put another question to the minister. Has the Canadian government made a strong protest regarding the holding of Rudolph Holata, head electrician at Vancouver International Airport, by the government of Czechoslovakia, without trial and without a charge being laid?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I have not identified the case which my hon. friend mentioned but I will investigate it and give him the information.

Mr. Paproski: I have a supplementary question, Mr. Speaker. Is it a fact that Mr. Holata has been in custody since January 6, and if a strong protest has not been made, why not? I should like to point out, sir, that he is a member of the Department of Transport.

Mr. Speaker: Order, please.

Mr. Paproski: And we should know what is going on there.

Mr. Speaker: The hon. member has made his representations to the minister.

Inquiries of the Ministry

ADMISSION OF DRAFT DODGERS AND DESERTERS

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Minister of Manpower and Immigration. I should like to ask him whether he will soon be making a statement on motions dealing with the question of the admission as immigrants of so-called deserters.

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I cannot exactly forecast when I will be able to make a statement on this subject. The matter is under consideration, and as soon as the consideration is completed I will be making the deliberations known to the house.

SHIPBUILDING

SAFETY FEATURE IN STEEL TUG HULL PRODUCTION

Mr. Harold E. Winch (Vancouver East): I desire to direct a question of the utmost importance to the west coast to the Minister of Transport. In view of the fact that the Canadian Merchant Service Guild are prepared to consider a tie-up of all steel-hulled tow boats on Canada's west coast following the sinking of the *Emerald Straits*, with a loss of three lives, adding up to a loss of 29 men in similar tugs since 1958, will the minister immediately take into consideration an investigation of the possibility of accepting a previous safety recommendation for a one-compartment subdivision in the construction of steel tug hulls?

Hon. Paul Hellyer (Minister of Transport): Yes, Mr. Speaker, the recommendations of the guild are being investigated by the department on an urgent basis.

[*Translation*]

POST OFFICE DEPARTMENT

ALLEGED PREFERRED TREATMENT OF COMMUNIST PUBLICATIONS

Mr. Réal Caouette (Témiscamingue): I have a question, Mr. Speaker, for the Minister of Communications.

Following the numerous changes made in the Post Office Department, several publications no longer enjoy second class mail privileges, and I wonder whether the minister could tell us why the following publications: *Canada-Vietnam News Letter, Combat, Progressive Worker, American Exile, Lagos, La Lutte Ouvrière* and *The Workers' Vanguard*

which are all communist-slanted, are still considered as second class mail in Canada?

Mr. Speaker: Order, please. This type of question should be put on the order paper.

[*English*]

CANADIAN NATIONAL RAILWAYS

SUGGESTION OF SABOTAGE IN DERAILMENT NEAR TORONTO

Mr. W. M. Howe (Wellington-Grey): I have a question for the Minister of Transport. In his absence yesterday I asked the Prime Minister whether he had any information to give the house in connection with the tragic railroad accident which occurred near Toronto a few days ago. Can the minister give us any information on that now?

Hon. Paul Hellyer (Minister of Transport): I am not sure that I can add much to what has already been reported publicly, but, as hon. members know, at 5.35 p.m. on April 20, C.N.R. train number 151, consisting of two diesel electric units and six cars entered the facing point switch of Dosco siding, mile 12.4 Weston subdivision, where it struck an empty tank car, derailing both locomotives and five cars.

One employee, the locomotive fireman, and one passenger were killed. Two employees and 24 passengers were injured; the engineman's condition is reported to be critical.

The switch was found lined for the siding with the lock in the keeper. Investigation has revealed that the loop of the lock was cut through by hacksaw. The target was not displaced and indicated the switch lined for the siding.

The matter is under investigation by the Canadian Transport Commission, the investigation department of Canadian National Railways and the Ontario Provincial Police and metropolitan Toronto police.

Mr. Howe: In view of the situation that has developed in this regard in Toronto, what steps are being taken to make these types of switches electrically controlled, particularly in areas where trains are travelling fast, to ensure that such an accident could not occur again?

Mr. Hellyer: I think I should take that question as notice. This type of accident is most unusual and normally cannot occur. In this case there has been evidence of some unusual action. A deliberate attempt has been made by someone to cause an accident.

[Mr. Caouette.]

HOUSING

C.M.H.C.—CRITERIA APPLICABLE IN PROJECTS

Mr. Robert McCleave (Halifax-East Hants): May I ask the Minister of Transport, in this Don Messer hep week, on what day of this week the minister expects to place before us the new criteria for public housing programs.

Hon. Paul Hellyer (Minister of Transport): We were discussing them this morning and made considerable progress. I hope to be able to make them available to my hon. friend fairly soon.

SURVEY OF URBAN RENEWAL PROJECTS

Mr. Lincoln M. Alexander (Hamilton West): I have a supplementary question, Mr. Speaker. On the premise that the minister visited the cities of Vancouver and Calgary, can he now assure the house that no further trips are envisaged before he is in a position to bring down his conclusions with respect to urban renewal and public housing? I ask this question because it appears to me that at one time the minister indicated to the house that he was going to visit eight or nine cities.

Mr. Speaker: Order, please.

[*Translation*]

FRENCH COMMENTS FOR PROJECTION OF SLIDES

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to ask a supplementary question.

In view of the fact that the minister has stated on two occasions that he would show slides with comments in French for the benefit of French-speaking members of parliament, in connection with the inquiry on housing, may I ask him when his promise will materialize?

Mr. Speaker: Order.

[*English*]

VETERANS AFFAIRS

DIEPPE PRISONERS—SEARCH OF FILES

Mr. Jack Cullen (Sarnia): Mr. Speaker, I have a question for the Minister of Veterans Affairs and it arises out of a meeting held by the minister some time ago with the Dieppe Prisoners of War Association. I should like to know whether the minister's department has begun or completed the research work on its files requested by the Dieppe veterans.

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Yes, Mr. Speaker, the research work has begun. It has not yet been terminated.

DEFENCE PRODUCTION

SEA TRIALS OF HYDROFOIL

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is for the Minister of National Defence. Further to a question which I attempted to ask the other day, and in order to offset any detrimental rumours, I wonder whether the minister could briefly report on the trials of the hydrofoil?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, as every member of the house knows, I hope, we have had very successful trials with H.M.C.S. *Bras d'Or*. I do not believe we are experiencing any serious difficulty, though there were some rumours that we were experimenting with hydrodynamic vibration, when the ship was in transit, from hull to foilborne. These are matters that we would like to know more about, but they are not of a serious nature. We expect the experiments that we are conducting now will prove that they have been worth while.

Mr. Speaker: Orders of the day.

BUSINESS OF THE HOUSE

PROCEDURE ON CRIMINAL CODE AMENDING BILL

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, may I rise on a point of order at this point for the information of members. Because of certain confusion may I ask the house leader when the recorded votes will take place in respect to the first 11 amendments?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, my understanding is that the disposition of the Chair would be to put the votes at the end of the debate on the first 11 amendments.

[*Translation*]

GOVERNMENT ORDERS

CRIMINAL CODE

REPORT STAGE

The house resumed, from Monday, April 21, consideration of Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs. And the motion of Mr. Knowles:

That Bill C-150, An Act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting from clause 13 thereof paragraph (a) and paragraph (b) of subsection (1) of the proposed new section 179-A of the Criminal Code.

Mr. André Fortin (Lotbinière): Mr. Speaker, yesterday we were discussing a motion to the hon. member for Winnipeg North Centre (Mr. Knowles) designed to make it illegal for the federal government and the provinces to set up a lottery.

Last night, at the beginning of my speech, I listed some arguments to justify my opposition, not to the amendment of the hon. member for Winnipeg North Centre but to the provisions of clause 13 of the omnibus bill.

Mr. Speaker, I want to make it clear that I am not against lotteries, but rather opposed to the reasons, avowed or not, which prompt the federal, provincial or municipal governments to set up a lottery for their benefit rather than in the interest of the Canadian people.

I said last night that the intent of starting a national, provincial or municipal lottery was an admission of the inability of the present Canadian monetary system to finance the public sector, at a time when demands of citizens are ever increasing.

Mr. Speaker, I unreservedly support the proposal of the hon. member for Winnipeg North Centre, because I feel that it will not solve the problem and that it will only defer its settlement.

In my opinion, hon. members should be serious and responsible enough to take over the administration of public affairs. It is disgraceful to make annual journeys to New York, France and other countries to obtain the necessary funds to finance the administration of Canada.

Mr. Speaker, the governments can no longer tax directly or indirectly nor overtax the Canadian people.

The people are overtaxed, their purchasing power is inadequate and the unemployment rate has reached its maximum level. It is more than ever advisable to take our responsibilities and to ask ourselves whether a national lottery can truly improve financial conditions in Canada.

Even if we have nothing against lotteries, we have to ask ourselves whether they can still improve the situation. I feel, Mr. Speaker—

• (3:00 p.m.)

Mr. Speaker: Order. I am sorry to interrupt the hon. member, but his time has expired.

Mr. Fortin: Mr. Speaker, I would like to be allowed one more minute.

Mr. Speaker: Does the house agree to let the hon. member carry on his remarks?

Some hon. Members: Agreed.

Mr. Fortin: Thank you, Mr. Speaker.

I think that if it is logical and rejects the proposal of the hon. member for Winnipeg-North-Centre, not because lotteries are immoral and a bad thing as such, but because they fail to provide an answer to the major problem facing Canada at present, the government would be wise to seriously consider the possibility of making use of the Bank of Canada, which is a tool which should be of use to the Canadian people. In fact, one could resort to the Bank of Canada to finance the public sector, the construction of roads, bridges, schools, and help the provinces.

It is obvious that municipalities and governments both federal and provincials are in a financial state of stagnation. This should prompt us to assume our responsibilities, instead of being satisfied with a makeshift solution, such as lotteries. Let us tackle the real problem and particularly let us make use of the Bank of Canada.

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I wish to add a few words to what the hon. member for Lotbinière (Mr. Fortin) just said.

First of all, I must say that I agree with him about the advisability of a bank reform. In fact, many years ago, I was advocating the establishment of banks which would be the counterpart of those which now exist in Europe, under the name of "communal funds" and which are designed to assist municipalities and school boards.

Of course, the hon. member for Lotbinière would have to show me how that can be carried out but I recognize in principle the merits of the solution he proposes.

However, I might bring some clarification concerning his arguments against lotteries.

By this bill, the government wishes to relinquish exclusive control over lotteries and to stop prohibiting them as it used to, giving the provinces the power to allow charitable organizations especially to conduct lotteries, that is to levy taxes without it being too painful, as the mayor of Montreal is now doing.

As long as our friends of the Ralliement Créditiste fail to reform the monetary system, that could be useful. However, I would remind the hon. member for Lotbinière that during conventions of the Union of Quebec Municipalities and of the Canadian Federation of Mayors, the Quebec mayors have moved, for a great many years, resolutions requesting the provincial and federal governments to transfer control over lotteries to the provinces.

Naturally, if the federal government gives the provinces control of the lotteries in their territory, it can reserve the right to establish a national lottery, but that is unlikely for the time being. It does not seem to be its desire, but we cannot stop it from doing what we authorize the provinces to do.

I believe that the hon. member for Lotbinière will admit that it is significant that the mayors of the province of Quebec, for at least 12 to 15 years, promoted the idea that the federal government should leave the control of the lotteries to the provinces, that would operate them for purposes they would deem acceptable.

I remember that, in 1963, when the Canadian Federation of Mayors held its annual conference in Toronto, the mayors of the province of Quebec brought forward this idea which has been discussed now for at least twelve years and which has always been rejected. In 1963, the majority of the Canadian mayors present accepted the proposition of the mayors of Quebec to recommend that the federal government hand over to the provinces control of the lotteries established for charitable or other purposes.

Of course, I do not think it necessary that we discuss the morality or the advisability of lotteries. It will be each province's responsibility to decide if it can be done.

In Montreal, a lottery has been created, even though it was given a structure which is more acceptable than a lottery as such. It can be useful, until such time as our hon. friends of the Ralliement Créditiste manage to reorganize the international monetary system, which will provide us with banks, provincial or municipal, designed to help finance municipalities and school boards.

Is it justified to prevent the federal government from giving control of lotteries to the provinces? My hon. friend must have noted that I did not try to make fun of him and did not even mention the opinions he has expressed on the reorganization of the monetary system, because I support them to the extent that they are feasible.

However, I want to say that if most mayors in Quebec, within the Union of municipalities and the Canadian Federation of Mayors have seen fit during the last 12 years or so to exert pressure on the federal government to bring it to transfer the control of lotteries to the provinces, I think this recommendation should be supported.

[*English*]

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the amendment before us is extremely important. I was surprised and shocked last night to hear the minister give a very inadequate explanation for the proposal to amend the Criminal Code to authorize the federal and provincial governments to establish lotteries if they see fit to do so. Instead of the cavalier way the minister dealt with this matter last evening I should have preferred to hear convincing arguments, if they exist, in support of his proposition. The only explanation the minister gave, I believe, appears at page 7780 of *Hansard* where he is reported as having said:

> It seemed logical to the government that if the criminal law were to be withdrawn from lotteries managed by private organizations, charitable and religious, or by agricultural fairs, an option should also lie with the provincial government itself or with an agent of a provincial government, and, since this was being done, that the criminal law should be totally withdrawn in its application to the federal government in this area as well.

It was most illogical of the minister to talk about lotteries, raffles and bingoes conducted by charitable organizations and then make a transition in his argument and ask the house to legalize the entry by the federal and provincial governments into lotteries. Most of us know that when we buy raffle tickets or take part in various innocent games of chance we are really making contributions to charities. Added to our contribution is the extra excitement of knowing that someone, somewhere, will win a prize—very often one he does not need and does not want. But the excitement makes it easier to sell these raffle tickets. While these innocent games of chance cannot be construed as any form of crusade for the carrying out of charitable work, I doubt that we can stop them and I do not think it is wise to try. But saying that we are willing to allow charitable organizations, religious bodies and agricultural fairs to conduct small games of chance is totally different from saying that we will permit lotteries in general—

Mr. Mongrain: Will the hon. member permit a question? Is he convinced that the raffles conducted by charitable organizations are legal now? As they are now operated in Canada, do they come within the law?

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I think it is pretty well conceded that many of them are not legal. I presume that is why the code is being liberalized, if I may be pardoned for using that word. We want to put a stop to a great deal of misunderstanding that has surrounded this question. The administration of the law affecting games of chance, lotteries and bingoes has been left almost exclusively with the provincial attorneys-general. In many cases they have simply shut their eyes to these small games of chance, especially where they have been convinced that they are being carried on for charitable purposes and that someone is not trying to make a quick profit or get rich quickly. I do not complain about liberalizing the Criminal Code to allow people, within proper limitations, to conduct raffles, bingoes and small games of chance. But saying that we will allow charitable organizations, religious bodies and agricultural affairs to conduct lotteries and bingoes is a far cry from saying that we must also give the federal and provincial governments the option of entering into lottery schemes.

• (3:10 p.m.)

What is the purpose in giving provincial governments and the federal government the power to operate lotteries? It is understandable in the case of a charitable organization. Its purpose is to try to get money and to do so on a voluntary basis. These organizations have no other way of raising funds except by donations from people interested in the cause they are seeking to promote. The government

is something entirely different. In our democracy the government is the constituted organization which carries on the business of the people. The government has ways of raising money by means of various forms of taxes. The government has access to the fields of taxation set out in the constitution of Canada.

Why does the government need the power to raise money by lotteries? Does it envisage that the provincial governments and the federal government itself are now going to seek to raise part of their revenue by lotteries? Will they endeavour to discharge some of their responsibilities not by taxation based on ability to pay but by means of lotteries, which is raising money on the basis of human credulity?

Mr. Woolliams: Will the hon. member answer a question?

Mr. Douglas (Nanaimo-Cowichan-The Islands): As soon as I finish this sentence. If the government is going to be fair, democratic and just, surely it ought to be endeavouring to raise its revenue on the basis of people's ability to pay, not on the basis of selling tickets to the most credulous. The hon. member wanted to ask a question?

Mr. Woolliams: I am not being critical, Mr. Speaker. I am most interested in what the hon. member is saying. I take it he is really against the kind of lottery being run in the city of Montreal. After all, cities are creatures of the jurisdiction of the province so far as their powers are concerned. That is what I think is being legalized here.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Yes. I am suggesting that any level of government has at its disposal certain areas of taxation. If they are not adequate, then we need some readjustment in our constitutional apportionment of tax fields and sources of revenue. To substitute lotteries based on credulity for taxation based on ability to pay is to reverse the whole process of social justice. I do not know whether the minister has visited any of the countries that have state lotteries, but it is an education to do so. If you go to countries operating state lotteries and which receive a considerable portion of their revenue from that source, you will find that a major part of their revenue is coming from the poorest and most desperate people. These people probably have one hope in a million of striking it rich. They are spending money they can ill afford to buy tickets in state lotteries.

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

Surely that is not the basis on which we ought to be inviting the provinces or the federal government to finance the requirements of this country. If governments in Canada need more revenue, then that revenue ought to be collected from people on the basis of their ability to pay and according to the size of their income. It ought not to be obtained by appealing to the avarice of individuals or holding out hopes to people who have very little chance of improving their lot by buying lottery tickets. This is a complete reversal of the whole idea of fiscal policy in Canada.

There is nothing in the constitution about governments raising revenue by means of lotteries. The constitution sets out the various areas in which the respective levels of government may levy taxes. I admit readily that the municipalities and the provinces, whose responsibilities have grown whereas their access to sources of revenue has not grown, face very serious financial difficulties. To solve these difficulties we ought to re-allocate the tax fields or reassess the fields of jurisdiction for which the different levels of government are responsible. We are not going to solve our fiscal problems by allowing provinces to embark upon lotteries. In the long run it will be self-defeating. As more and more cities and provinces get into it, they will be taking in each other's washing. They will be selling tickets to each other in order to solve their municipal and provincial problems.

Mr. Turner (Ottawa-Carleton): It is a pretty unsavoury thought.

Mr. Dinsdale: It is a pretty dirty wash.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I am really surprised that an administration which has talked so much about the just society, social justice and economic equity should now suggest that it is prepared to permit the governments of Canada, provincial and federal, to replenish their coffers by selling lottery tickets.

The explanation given by the minister for including the federal government is even more nebulous and irrational than the one for including the provinces. The minister said he had included the federal government because he wanted the bill to be symmetrical. That is not a very good reason. I can assure the minister he is more symmetrical than the bill.

The minister says that the government has no present intention of entering this field. I hope hon. members will take a look at the bill we are being asked to pass because not only does it state that the federal government will

have the right, if it desires, to establish a lottery but it will be able to do so by Order in Council without any reference to this house. If a provincial government wants to establish a lottery, it will be required to introduce legislation setting out the terms and conditions under which the lottery will be operated, who will be the agents to act for the government, and for what purpose the money will be used. All the details will be subject to debate and discussion. But if the federal government decides to set up a lottery it will not need to refer to parliament at all. It will be done simply by an Order in Council setting forth the terms and conditions, naming some person or group of persons to act for the government, and, presto, a full lottery will be in operation.

When I asked the minister about this last night, he said we will always have the right to deal with the matter by means of a motion of non-confidence in the house. Isn't that a marvellous concession! Parliament will not be permitted to examine any such proposal, amend it in any particular or, as my colleague points out, even discuss the details of what is a tax proposal. All parliament will be allowed to do is vote yes or no on whether it has confidence in the Order in Council which the government has passed. There are totalitarian régimes in the world where the members of the legislative bodies are strictly limited to saying yes or no, but I thought we had not reached that low level in Canada.

• (3:20 p.m.)

However, the minister is seriously telling us that he thinks it is all right for the federal government, by Order in Council if it so desires, to set up a lottery, to determine by Order in Council the terms and conditions of that lottery, how it will be operated, how much of the money will go into the federal treasury, how much will be paid out in prizes and the purposes for which the funds will be used, and parliament will have nothing to say about it except that it may be provided with an opportunity on an allotted day to move a motion of no confidence. This to me, Mr. Speaker, is preposterous. It is preposterous for a government that has talked so much about participatory democracy, about the need for involvement, about the value of dialogue and consensus, to say now that a plan can be introduced and that hon. members will have no opportunity to discuss it and amend it in any particular. All they will have will be an opportunity to deal with the matter by a vote of confidence or non-confidence in the government.

I hope that the Liberal members of the house who support the government will take a good look at this provision. I suggest it is a dangerous precedent. I suggest democracy means more than just having the right periodically to vote yes or no, and that if parliamentary democracy means anything it means playing a part in the process of formulating legislation. We have a process here whereby legislation is discussed on second reading and then sent to a committee where experts can be called, where discussion can be heard, where it can be amended and brought back to the house to go through report stage and third reading. But this is the thin edge of the wedge. We are sweeping all that aside and saying that by Order in Council so important a thing as a national lottery can be established and parliament will have nothing to say about it until after it has been established. To me this is shocking and scandalous.

When hon. members on the other side of the house look carefully at the implications of the precedent now being established by the Minister of Justice, I think they will join us in asking him to remove these provisions from the bill. I say that the press has a responsibility to tell the people of Canada what is in this legislation, not just the idea that the federal and provincial governments will have the right to set up state lotteries but also that the federal government will have the right to establish a state lottery without reference to parliament, that it will have the right to bypass parliament, that it will have the right to set up machinery to collect possibly millions of dollars and dispose of that money in whatever way it thinks best, to determine how much will be paid out in prizes and how much will be paid into the federal treasury or into whatever aspect of federal expenditures it decides, without referring the matter to parliament. If the Canadian people were made fully aware of this very serious innovation, and I suggest the press has a responsibility to make them aware of it, I believe they would speak out in no uncertain terms and say that this type of legislation ought not to be passed.

I make an appeal, even to those who are in agreement with the government about the advisability of government lotteries, provincial or federal, that if we are going to have such lotteries then at least the federal government should be on the same basis as the provincial governments. If the federal government is going to establish a lottery it

should be required to bring in legislation, submit that legislation to the house, have it examined by members of the house and by the appropriate standing committee, and have it dealt with as any other measure would be dealt with. What we are being asked to do here is to give the government a blank cheque, to say to the cabinet, "You can draft any kind of plan you like. You can completely reverse the process of fiscal policy and take from the many and give to the few, and you can do this without reference to parliament, without parliament having one word to say about it until after you have established the plan and it is in operation." And the only privilege which the Minister of Justice says that we will be allowed then is that on an allotted day we may say we like it or we do not like it. If that is democracy, then we are going down a very dangerous road toward the kind of totalitarianism that is all too common in other parts of the world.

Mr. Stanfield: I wish to ask the Minister of Justice a question. Is it his opinion—

Mr. Deputy Speaker: I am sorry to interrupt the Leader of the Opposition but under our Standing Orders my understanding is that the only way he can pose a question is if the Minister of Justice has the floor, and the minister has already spoken—unless, of course, there is unanimous consent. Is this agreed?

Some hon. Members: No.

• (3:30 p.m.)

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, to assess the amendment now before us, it is important to analyse the reasons that have led the hon. member for Winnipeg North Centre (Mr. Knowles) to move it.

Under our present economic system, the taxpayer is called to depend exclusively on taxes to promote his welfare, and this brings us to make some particular remarks.

In principle, it is abnormal at this time to rely on the exploitation of some passions to obtain additional revenue, for the fact of exploiting the fondness of the public for gambling is, in my opinion, a tax on passion. Several bodies, among which the various religious denominations of this country, make it clear, from a moral standpoint, that we exploit the passion for gambling through lotteries.

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

In the present economic system, we endeavour by all available means to tax, surtax and over-overtax. However, there may be a more pleasant way of getting money out of the taxpayers' pockets in order to finance the general administration of the country. Therefore, the legalization of lotteries would be based on the reaction of the people.

I agree with the hon. member for Trois-Rivières (Mr. Mongrain) because I know that for many years provincial governments, and more particularly that of the province of Quebec, as well as municipalities have been asking that the Criminal Code be amended in order to enable provinces and municipalities to conduct lotteries.

If one agrees with the distinction I have just made, I think that the people would behave in the following way: they would back the legalization of lotteries not because it is good in itself but because in the present system different solutions must be found, and that lotteries may be acceptable.

It is only in view of those considerations that I say I do not entirely agree with the contents of the amendment proposed by the hon. member for Winnipeg North Centre.

This is proof that members of the Ralliement créditiste, are not afraid of freely expressing their opinions. In spite of the fact that our leader (Mr. Caouette) and the hon. member for Lotbinière (Mr. Fortin), have already declared themselves in favour of the amendment, none of us remains silent. We exert no control whatsoever on individual freedom and we are all free to express ourselves. Were all the other members as free as we are, especially on the government side, the administration of the country would be healthier, more efficient, and much more representative of the people. That is why, Mr. Speaker, we have requested that this bill be split.

One can readily agree to most of the clauses on this bill and still be compelled to vote against it because of some clauses forced upon us.

To come back to the amendment, Mr. Speaker, I do not agree with this particular part of it which tends to delete paragraphs (a) and (b). The first reads as follows:

Notwithstanding any of the provisions of this Part relating to gaming and betting, it shall be lawful,

(a) for the government of Canada to conduct and manage a lottery scheme in accordance with regulations made by the governor in council and for that purpose, for any person, in accordance with

such regulations to do anything described in any of paragraphs (a) to (f) of subsection (1) or subsection (4) of section 179;

Mr. Speaker, I am in favour of deleting that paragraph. I cannot see why the central government which has at its disposal far better means than lotteries, or, as the leader of the Ralliement créditiste termed it, the "national barbotte" would legalize gambling. It could use for instance the excellent means of the Bank of Canada to improve the purchasing power of the people. The government has really no need for lotteries. Deleting that paragraph would be perfectly all right and I therefore support that suggestion.

To my mind, this house would enhance its prestige by saying that it does not see why the federal government should assume certain rights in that field. Why? Because the amendment concerning lotteries was brought forth as a result of certain representations. Whose? Certainly not those of the federal government. They must therefore have been made by welfare groups, charitable organizations, various religious groups and public associations.

In fact, those bodies have been calling for the legalization of lotteries for several years. A little later, the municipalities and the provinces, especially that of Quebec have also asked that lotteries be legalized.

No representations have ever been made at the federal government level asking that it conduct and manage lotteries. I therefore do not see why we should accept that paragraph.

On the other hand, I accept paragraph (b) which would also be deleted through this amendment. I agree with it, Mr. Speaker, all the more so because of the present federalist concept which prevails, especially since the present right hon. Prime Minister (Mr. Trudeau) has come to power, whereby it seems that the provincial governments are to be considered merely as large municipalities and gigantic benevolent societies.

That is so true, Mr. Speaker, that we notice, as representatives of the people, that the majority of the requests which are made to us as members of parliament, concern various problems to be solved, most of which fall within the jurisdiction of the provinces.

• (3:40 p.m.)

Provinces have become enormous welfare societies within which there is a run on social welfare allowances. As a matter of fact, this run has become a real lottery and people are vying with one another to get one as soon as possible.

Provincial governments having become, according to the present federalist concept, enormous charitable societies, it is, therefore, almost normal in this crazy system in which we live, that we should avail ourselves of the necessary means to help the large and the small welfare societies solve their financial problems in organizing lotteries, in exploiting the passions of the mass and,—I say so again,—the gambling instinct by which people are possessed.

That is why we should recognize the merits of such a solution until it is understood that we should resort to more realistic means. But, for the time being, we are against the principle of lotteries.

I have been agreeably surprised a moment ago, to hear the hon. member for Trois-Rivières (Mr. Mongrain) say that he accepted some of the Social credit theories. If he could study them in depth, so as to understand them better, we would be even happier.

Mr. Mongrain: Mr. Speaker, on a question of privilege.

It is almost four years now since I came to this house and I keep harping away at that matter.

Mr. Matte: I hope there will be an ever increasing number of my colleagues willing to grapple with the Social Credit economic theories and that they will eventually put them in practice, even only as an experiment.

But we shall not adopt that way of thinking until we renounce tax and surtax as the sole means of administering the country. We shall have to find more palatable means to snatch away—not to say steal—the people's money.

I have nothing against that clause, provided paragraph (a) is deleted. Therefore, to a certain extent, I am in favour of the amendment. Nonetheless, I would like my reasons to be examined and understood, and I think that the real problems which led us to discuss lotteries should be taken into consideration.

I would go even further. I wonder why, for instance, the hon. member for Winnipeg North Centre (Mr. Knowles), of the New democratic party, which, as a rule, is in favour of any measure of socialization, does not support state lotteries. I would even go as far as wondering if it would not be possible, in order to make the pill easier to swallow for the taxpayers, to set up not only a voluntary

but a compulsory lottery. It could be interesting to collect an additional $2 from each taxpayer. Then, while paying taxes we would have a chance of winning $10,000, $100,000, $1,000,000, and this would be a little more pleasant.

I would go a little further than our good friends of the New Democratic party usually do. I would say that if the provincial government was conducting a lottery, it should make it compulsory, otherwise it would not pay.

That is what happened in Montreal when the mayor threatened to resign. Now, as the Montrealers could not take the risk of losing their mayor at a time when the economy was booming, they saw to it that the lottery regain its appeal and a few months later it is again showing a profit. In fact, a lottery is a rather precarious undertaking since we do not know exactly where we are going. This is why I say that if ever a provincial government decides to establish a lottery it would have to make it compulsory.

Mr. Speaker, within the present system, it is more tolerable to offer a small chance to the taxpayer in exchange for his taxes. Even if it is not everybody who wins in a lottery, deep down there is always the hope that someday one may be a winner.

If we are ready to accept such a solution, why not give serious consideration to some other means? One is always ready to look for revenue sources that are contrary to morality and logic, while one neglects to give thought to real remedies, that is to the reform of our present economic system.

That is evidence of the need for Créditiste members in the house and of the importance of the part they are playing here. We beg the house and the people to give consideration to effective ways of correcting our administrative system instead of thinking always of taxes and surtaxes. In other words, it is imperative that human development be promoted, and that is what we have been preaching for many years.

[*English*]

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I will be very brief in my contribution to this part of our consideration of the amendments to the Criminal Code. As this debate proceeds it becomes more and more strange and more difficult to comprehend or understand. I am supporting the amendment of the hon. member for Winnipeg North Centre (Mr. Knowles) because I think it gives the minister a good out from a very unhappy situation.

For the past several days we have found the state promoting gross indecency. As the result of further amendments in respect of the legalization of lotteries, both private and government, we now find the state promoting one of the seven deadly sins, avarice and greed. I do not think there has been any great public demand for this sort of thing, and I am at a loss to understand why the government is taking such a strong and stubborn initiative in respect of these matters.

We might speculate and say that the motivating principle behind these amendments to the code is to find a panacea to overcome the fiscal situation in which the government finds itself. This is not peculiar to the federal level of government; it applies also to other levels of government.

• (3:50 p.m.)

We have noted the strong protests against exorbitant taxation in the press of Ottawa during the past few days. In promoting the vice of avarice and greed by authorizing the state's indulgence in particular in lotteries, I suggest to the minister that he is dealing with a panacea that is a snare and a delusion. There is no substitute in public finance for the principle of fiscal responsibility. I was reading a commentary on the editorial page of the Ottawa *Citizen* by the editor of that journal, Mr. Christopher Young, who was reviewing the first year of the just society. In that commentary Mr. Young said that when the just society began it was faced with a fiscal crisis of extreme proportions. That was brought on, of course, by another Liberal administration which practised fiscal irresponsibility.

If the government is moving into the area of lotteries and gambling to get itself out of its dilemma, it is operating, of course, in the same never-never world as the compulsive alcoholic who takes just another drink to overcome the hangover from which he is suffering by reason of overindulgence. Obviously, as I have indicated, the government is very stubborn in these matters and is completely committed, it would seem, to the promoting of these aspects of irresponsibility in the Canadian body politic.

The amendment of the hon. member for Winnipeg North Centre gives the government at least half an out. It simply underlines a principle of government fiscal responsibility which makes it possible for the minister,

without losing any face whatsoever, to remove the government from the support of greed and avarice with respect to public finances.

This debate grows more weird, strange and confusing every day. On the one hand we have the state, with respect to gross indecency, explaining its stand on the ground that the state has no place in the bedrooms of the nation, and on the other hand we have the state saying it does have a place in the gambling dens of the nation. There is a fundamental inconsistency here that must considerably disturb the Minister of Justice. I hope the minister will accept the amendment and at least extract himself from the dilemma in which he finds himself with regard to these very basic and important moral issues.

I know the tendency is to criticize anyone who takes a stand on these issues as being antediluvian, a sort of social jingoist, if I may use that word, or someone suffering from what might be called a residual puritanism. These measures are put forward in terms of reform and progress. This is not a progressive step. This is the most retrogressive step that any government could take. Look at history. The problem of gambling is not new among mankind. Indeed, as I have already indicated, it is one of the seven deadly sins. The progress of the human family has been in the reverse direction; as mankind and his society became more enlightened and progressive, the vice of gambling was gradually abolished. One can follow the pattern throughout most of the western world.

It is governments which are confused about fiscal policy and lack social responsibility which have authorized state lotteries. I can refer, of course, to South American republics. Sometimes I think Canada is becoming more like a South American republic every day under this just society. State lotteries are a retrogressive step; they are a step back into a period when governments were less stable and less fiscally responsible. I urge the minister, because he is responsible for putting this bill through the house, to exert the authority that must be his and not take Canada back in the direction of official sponsorship by the state of the vice of gambling.

I could go on at some length on this matter, but I think the point has been made by many speakers. As a final word may I say that perhaps one of the worst aspects of the state's indulgence in the promotion of lotteries and gambling is the blow it strikes at genuine philanthrophy and charity. It permits the something for nothing philosophy. It militates against the war on poverty, because the people who tend to be caught up in the vicious grip of gambling are those who can least afford to be involved. It undermines the strength of human personality. It promotes greed and avarice, and it is compulsive like alcoholism.

I am sure that if we took a referendum on this matter the minister would find that the vast majority of Canadians are against the state's participation in gambling and lotteries. As the leader of the New Democratic party said just a moment ago, it is being provided for at the national level surreptitiously, so there is a double affront to the people of Canada. Surely the majority of Canadians have some rights and privileges. I hope the Minister of Justice will not carry the charade further and will accept a reasonable amendment which at least removes the state from this sort of promotion of social vice.

Mr. Mongrain: Mr. Speaker, would my hon. colleague allow a question?

Mr. Dinsdale: Certainly.

Mr. Mongrain: I am quite at a loss to follow the trend of his reasoning.

Mr. Dinsdale: I can understand that.

Mr. Mongrain: That is why I am asking him the question. The hon. member has told us about the seven deadly sins, among which are greed and avarice, and the state having to take these measures in order to help its fiscal situation. Am I right?

Mr. Dinsdale: You have it absolutely right.

• (4:00 p.m.)

Mr. Mongrain: How does the hon. member reconcile this train of thought with the fact that in this country, for as long as I can remember, churches of all denominations have organized raffles and bingoes which are, after all, games of pure luck?

Mr. Dinsdale: I think the hon. member missed the point of my contribution completely. We cannot deal with the vices of individuals or of organizations, because ours is a pluralistic society. As a member of parliament it is not my obligation to try to urge that the state legislate morality. Morality cannot be legislated. The point I was making was simply that the state should not promote immorality in this bill.

Mr. Gilbert: Would the hon. member permit another question? Is he aware of the statement yesterday by the Minister of Justice that it was not the intention of the federal government to conduct a lottery? If so, his argument that the government is proposing this amendment as a panacea to counteract the present monetary crisis has little or no strength.

Mr. Dinsdale: I think that one of the main evils, if I may use that word, of this legislation was pointed out by the Leader of the New Democratic party—

Mr. Turner (Ottawa-Carleton): There are some formidable members in that party.

Mr. Dinsdale: —and it is why I am doubly critical of the legislation. It was effectively pointed out by the Leader of the New Democratic party that the federal government is authorized to introduce a national lottery without reference to parliament, surreptitiously, by bureaucratic means, through an Order in Council. This fact intensifies my opposition to the bill.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I will be brief because much has already been said on lotteries.

Mr. Deputy Speaker: Order, please. I think the hon. membear for Champlain is anxious to ask a question, provided it is the disposition of the hon. member for Brandon-Souris to accept it. However, I should like to caution hon. members against too long an extension of this practice on every speech.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, may I ask the hon. member, since he referred to the seven deadly sins whether or not, in his mind, the government is vindicating the seven deadly sins. He talked about lust yesterday; today, it is avarice.

[*English*]

Mr. Dinsdale: I am afraid the government will have to reply to that. I cannot speak for the government.

Mr. Woolliams: If I may, I should like to speak on lotteries for about five minutes. I think it is one subject that has not really been understood. In fact, I believe much of this bill has not been understood by the general public. The arguments we have heard this afternoon with regard to lotteries strengthen the argument which was made at the beginning of the debate on this bill that it should have been divided so that those hon. members who are in favour of certain portions but not in favour of others could express themselves in accordance with their conscience and the consciences of their constituents. That is the first point.

We have to differentiate between two principles with regard to lotteries. One concerns state control of lotteries operated by clubs and religious groups set up for charitable or religious purposes, which is an entirely different matter from a state controlled lottery. It means that a province may say to such groups through the Attorney General that this type of activity is good because it has a charitable or religious purpose. In regard to state controlled lotteries, I cannot envisage a provincial government needing consent for that because such a lottery would fall within their civil rights jurisdiction.

Here we are dealing with the criminal law and with matters of morals. The lotteries with which the house is concerned were referred to by the minister last night when he endeavoured to answer questions, as well as by my leader and the Leader of the New Democratic party. It was said that in a bill affecting the criminal law the state is given the right to set up a lottery without referring the matter to parliament. In other words, when parliament closes on June 27—and many of us hope it will close then—from that date to September or October when parliament meets again the government, provided this bill goes through, could pass an Order in Council implementing immediately without reference to parliament the right of the federal government to bring in a federal lottery and by that method collect the taxes of the land. In other words, they could almost start a new budget by lotteries.

In my opinion this is exactly the point which was made this afternoon by the Leader of the New Democratic party and which was made yesterday by the leader of our party. I do not know where all the members of my party stand in that regard because we intend to have a free vote on this bill. We believe in freedom so far as this matter is concerned. However, I can speak for some members of my party. Some of us are against any kind of gambling or lotteries, and I think the last speaker might be put into that category.

Mr. Dinsdale: That is right.

Mr. Woolliams: He agrees with me, so I have not misunderstood or misquoted him. However, some of us are not against state

controlled lotteries which are set up for charitable or religious purposes, or lotteries the proceeds of which go for scientific or medical research or for other purposes in which philanthropists believe. But on this side of the house the majority of the members question the right of the federal government to set up a state controlled lottery which might be used to raise the revenue of the country. This was the argument which was presented this afternoon by the Leader of the New Democratic party, and I am glad that it is catching on to some extent among the members of that party.

So there are two kinds of lotteries: Those that are under state control and which will be exempt from the code, and those that are run by provincial governments. If there are lotteries such as the one run by the city of Montreal, they would have to be legalized by the provinces because the cities are creatures of the provincial legislatures and their jurisdiction comes from a provincial act. In most of our provinces there are city acts which have been passed by the legislatures. So the powers of the cities, their jurisdictions and their constitutions are really under provincial statutes. This is why I rose to speak on this matter. These amendments are pretty complicated and I hope that when they are voted on what I have said will have clarified them.

I have one last thought on this matter. I and other members of my party have great respect for the hon. member for Brandon-Souris, but this is the way I see the argument. I do not have the statistics before me but a lady in Calgary collected many thousands of signatures—although many people do not know what they are signing when such petitions are brought to them. As a result of her research she found that perhaps $90 million is raised in Canada from the class of people to whom reference was made today, namely, those in the low income brackets, and that great amount goes out of the country to the Irish sweepstakes. If it is right to raise money in Canada for a purpose outside Canada, then perhaps it might be right to raise money here for the good of the people who live within our boundaries. We should give some thought to that point.

Some hon. Members: Hear, hear.

Mr. Woolliams: Of the $90 million for the Irish sweepstakes, which I am advised is a private corporation and not all that charitable, only $6 million finds its way back to Canada in prizes. If those figures are correct, $84 million goes out of the country. I got these figures from the lady in Calgary who did much research in that regard and who came to see the then minister of justice, now the Prime Minister (Mr. Trudeau), on this subject. There are lotteries in other countries, tickets for which are sold here.

There is a point here about which I have thought for years. As a member of the legal profession and a member of parliament I cannot believe that we should have a law which, as was said in Oliver Twist, is an ass, in other words, a law which cannot be enforced or endorsed. I am sure there is not a member of this house who, on hearing that Mr. Jones had won $150,000, would pick up the telephone and ask the Minister of Justice or the Attorney General to prosecute the man. If a person wins a sweepstake, accepting the winnings is just as illegal as buying the ticket. Yet there are never any prosecutions in such cases.

• (4:10 p.m.)

Having listened to the arguments that have been made on the other side of the house, I can only say that if we really believe the law is as it has been put forward by my distinguished friend we should pick up the telephone as citizens of Canada and ask for the prosecution of people like Mr. Jones who, having bought a ticket on the Irish sweepstakes and won $150,000, has told the newspapers that he is going to buy a new house for his son, educate his daughter, take his wife on her first trip and buy her a fur coat. If the law is as the minister outlined, then in our consciences and in our hearts we should enforce it. If we do not believe that this is the law, then surely we should accept lotteries for charitable, religious and other good purposes. But again I repeat that this is not an endorsement of the kind of lottery about which the minister is talking, namely, state-operated lotteries.

I must be fair with the minister. If the government were to pass an Order in Council to authorize a state lottery for the purpose of raising revenue I assume that the opposition in this house could move a vote of non-confidence in the government on returning from the recess, assuming the Order in Council was passed while parliament was not sitting, which is the way the Prime Minister (Mr. Trudeau) operates in regard to NATO and some other statements he has made.

The trouble with this sort of thing is that although it may be successful with minority

governments, today the Liberals are saying every day that they have a mandate, that they love each other like brothers and sisters and always vote together, that they always think alike. They are the only party in Canada that all think alike. All I can say in this regard is that when we all think alike there is no thinking. Certainly in regard to matters in the code such as we are discussing the Liberal party is the only party that, irrespective of its members' religious beliefs and consciences, puts every member into the same pot and declares they all hold the same traditions and spiritual convictions. To me this is beyond comprehension. I have often wondered what it would be like to be a Liberal for a short time and find out what goes on in these secret caucuses. Then I would discover how they are disciplined.

Mr. Mongrain: You would be surprised!

Mr. Woolliams: I sure would. Of course, the hon. member has been out of the caucus two or three times, so he has some experience.

Mr. Mongrain: Mr. Speaker, I must rise on a question of privilege. The hon. member is usually very honest with the house but I should like to make it plain that I have never left the federal Liberal caucus—never.

Mr. Woolliams: Well, Mr. Speaker, I would be the last to be offensive to my hon. friend. I only wondered because he did sit for a time as an independent. It seems he must have been a Liberal when the caucus met but an independent in the house. However, I accept his word in this regard.

When we come to vote, I would ask hon. members to consider the two different kinds of lotteries. First, there are those that are run for state purposes, controlled and operated by the state. Then there is the kind that is run under state control for charitable and religious purposes. Let us also consider those lotteries operated by other countries that are supported within this country. These are being endorsed every day as a result of non-enforcement of the law.

[*Translation*]

Hon. John N. Turner (Minister of Justice): There will be other opportunities.

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I know that the minister is looking forward to the defeat of several amendments that were moved.

[Mr. Woolliams.]

Mr. Turner: Mr. Speaker, I am still ready to listen to the golden voice of the hon. member.

Mr. Rondeau: Mr. Speaker, I thank the minister for his patience, for he will still require a lot of it. However, some arguments have already been set forth and others soon will be. It is extremely important that this be put on the official report of the House of Commons debates.

I have here what I could call "some portable facts" that I found very interesting and that I would like to put on the official report of the House of Commons debates. These facts will make it easier for us to study these amendments.

[*English*]

Slot machines are habitually rigged so that 40 to 80 per cent of all coins that go into the machine are retained by the owner.

After two and a half centuries of experience the British parliament outlawed lotteries in 1828.

The French government, after five years of public lotteries in the 1930's, abandoned the experiment. Only 3½ per cent of the money paid by the people for tickets reached the treasury.

Those are facts.

Senator Wiley of Wisconsin, in advising the new state of Alaska not to utilize gambling, said that every dollar raised from such sources means $5 spent on higher police costs, high court costs, higher penitentiary costs, higher relief costs.

The total income of Irish hospitals from the Irish sweepstakes, counting all money now gathered from Canada, the United States, Britain and elsewhere, amounts to about $4 million a year. This is less than 19 per cent of the money paid by those who bought genuine sweepstakes tickets. (The percentage is still smaller when one takes into account the enormous sums spent on counterfeit tickets.)

In Canada:

—Hospitals for acute disease alone require over $100 million annually;

—Hospital maintenance runs over $800 million annually;

—Construction and renovation costs another $100 million annually.

"The painful fact is that Canadian sweepstakes equal to that created by Ireland for 33 years would keep Canadian hospitals going only for four days, and not a cent toward new construction."

That statement appeared in the *Financial Post* of October 12, 1963.

No other single act could be as demoralizing to Canadian hospitals as turning from dependence on public taxes and enlightened philanthropy to the dubious resources of a lottery.

A royal commission in Britain has rightly said that no other mode of raising public money has proved "so burdensome, so pernicious and so unproductive".

[*Translation*]

Mr. Speaker, these few facts prove that this legislation that we are asked to approve will bring no real assistance to our charitable institutions, our schools and our hospitals. It is unfortunate to go as far as to want to legalize what they have been trying to legalize in other countries for three or even five centuries. They have given it up because it was thought that despite the few advantages that could be derived from lotteries, it would raise problems and increase governmental expenditures in the field of social welfare and the administration of justice.

It is a shame to see that through legislation we will push the public more and more towards vice.

The hon. member for Trois-Rivières (Mr. Mongrain) mentioned that many mayors have asked to conduct municipal lotteries. However, several municipal councils have passed resolutions asking the federal government to find other means of raising money.

I think the government should have the same attitude in respect of these resolutions already proposed by various municipalities. I could have several put on record.

These same municipalities have also suggested that the federal government use the Bank of Canada to take care of their financing.

In fact, the city of Granby, passed three years ago a resolution suggesting that the Bank of Canada be used to make money available to municipalities, school boards and public bodies. However, the federal government failed to act upon that resolution.

Why not start by enacting some measures that would help financially not just a few individuals, but also our municipalities and our school boards.

Whatever lotteries could bring to municipalities, hospitals, school boards or various organizations would be only a drop in the bucket as compared to their needs.

Why try in 1969 to legalize lotteries, when the government of Alberta tried, in 1935 to put money on the market, not paper money, but crédit money? And yet, the Prime Minister of the time, the Right Hon. William Lyon Mackenzie King, had promised, after the general elections of 1935, that he would authorize the Alberta government to apply the principles set forth during the election campaign of Mr. William Aberhart. It had been said that the federal government would create no restriction to prevent the government of Alberta from applying the principles the citizens of that province had voted for.

• (4:20 p.m.)

The federal government "will take his hands off". Those were the very words of the Prime Minister of the time. However, after the general elections of 1935, the federal government, as well as the Supreme Court, did everything to prevent the Alberta government from applying those principles.

It was not a lottery, nor some kind of hoax or fraud. It was something really serious and scientific. Why, then, was the government of Alberta not given the opportunity to apply those principles, since it was not a bunch of idiots who had been elected? Why were they not given the chance to carry out the wishes of Mr. William Aberhart?

Why pay attention to mayors when they ask that lotteries be put at the service of the provinces? Why not do what they also requested many times? The mayor of Thetford Mines, for instance, once laughed at a resolution passed by the Union of Municipalities asking precisely what the Créditistes have been requesting in the house for 30 years, that the Bank of Canada be used to finance public capital, in order to solve our present problems.

If lotteries were legalized, it would be an admission that there is not enough money in circulation. Despite lotteries, there will not be a penny more in circulation. Lotteries will not solve the problems of hospitals and will not replenish the funds of some religious organizations.

The creation of lotteries is an undeniable proof that our present economic system is unsound. It is not by allowing the provinces to legalize vice that we will settle our financial problems.

If we legalize vice to replenish the Treasury, why not apply the same absurd argument and legalize prostitution also? Why not, like other countries, legalize prostitution to bring money into the Treasury, if we must speculate on vice? Why not, for that matter, make money out of all vices? In that manner, we could replenish the Treasury with all the money that vice monopolizes now.

I have on hand several statements from authorized persons who have already given their views on what we are discussing presently.

First, lotteries will contribute to the exploitation of the poor. They will be lured with

illusory promises which will keep them hoping that they might become rich overnight.

The poor will be taken advantage of. They will be deluded into the belief they might get rich. There will be more and more victims.

Mr. Laniel: This is human nature.

Mr. Rondeau: This is taking advantage of human nature as the hon. member for Beauharnois (Mr. Laniel) remarked. We are not here to take advantage of the vices of people, but to protect them from them.

If last year we were deluded into believing that electing the Liberal party would help us find a solution to our problems, we soon found out that we had been entertaining illusions in that respect. Today, we want to establish a lottery; it is nothing more than an economic illusion.

At the same time, this is a wrong conception of morality, since we know by experience that wealthy peoples have lost their fortune by indulging in their vice: card playing or some other form of gambling. We have even seen people lose considerable amounts of money betting on cock-fights. Families who had been led to believe in illusory solutions were ruined. The purpose of lotteries is to take advantage of the vices and of the immorality of the people.

I have here another book entitled: *Lotteries, the Great Illusion,* written by Mr. E. M. Howse, in which he says, and I quote:

[*English*]

All the old arguments, discredited long since by past misery and corruption, are being marshalled again to promote this sordid device for paying our legitimate bills for hospitals, education and honourable philanthropy.

[*Translation*]

This means that to save hospitals, to help education and religious works, we are reduced to exploiting vice.

I have just said that the proceeds of lotteries could provide the various religious organizations or hospitals with an income that would enable them to operate four days more, according to the figures supplied to us.

[*English*]

In 1963 race track betters in Ontario alone poured into parimutuel machines $153,506,144—a total of $28,506,000 more than they took out in all their winnings . . .

The Irish sweepstakes annually take from Canadians several times what they return in prizes. (Counterfeit tickets take the gullible public for enormous extra amounts) . . .

It was said of the Bourbons of France, before the collapse of the ancien régime, that they forgot nothing and learned nothing. Proponents of lotteries as a means of supporting hospitals, education or the vast philanthropies of a democratic people, seem to outdo the Bourbons.

• (4:30 p.m.)

[*Translation*]

It is noteworthy, Mr. Speaker, that every country resorted to lotteries before going bankrupt. I believe that today, the fact that we want to legalize gambling in Canada is a premonitory sign of bankruptcy.

It is often said that life is a gamble that life is at the mercy of hazard.

[*English*]

"All life's a gamble." This is nonsense. What people mean is that life has risks. But there is a clear distinction between a gamble and merely a risk. Risk is a necessary element in life, an element to be intelligently reduced. One of the astronauts, when asked about the risks that he took, replied that he took no risk. He was right.

[*Translation*]

Mr. Speaker, I believe that we are on the point of legalizing risks. This bill which deals mostly with lotteries, threatens to lead the nation to moral decadence for which we will have to pay later.

It is clear that when vice is rampant and legalized, it is soon necessary to check its consequences. And the amount of money that we will have spent for this purpose will be far greater than what the government hopes to put at the disposal of religious organizations and provincial governments by allowing them to conduct lotteries.

If it is wished to help religious organizations, it should be ascertained that they approve of them themselves. As a matter of fact, I have in hand many documents that I do not have time to put on record, but which prove that even religious organizations are opposed to lotteries, because they prefer to respect their principles rather than to fill up their coffers.

A Baptist organization from Ontario and Quebec has passed the following resolution aiming at a special study of the historic background of lotteries:

Considering that approval of such provisions would be of assistance and accessory to a quick development of gambling in Canada;

Considering that lotteries appeal to the poor, who become the victims of an illusory hope regarding the solution of their problems;—

This organization firmly states its opposition to lotteries.

Now, Mr. Speaker, for these reasons, we believe that the paltry sums lotteries might bring to church organizations are not worth

endangering morals. Thousands of people who might trust such illusory solutions may gamble the welfare of their children, in the hope of becoming rich overnight. Advertising will sell them on the idea that such lotteries will allow their lifelong dreams to materialize in dazzling colour.

• (4:40 p.m.)

Mr. Gilles Marceau (Lapointe): Mr. Speaker, I wish to make a few remarks on the subject of lotteries.

Mr. Speaker, it seems that some people are made to build and others to destroy. I have the feeling that the government to which I belong falls in the category of the builders and I need not indicate who the destroyers are. We have just heard their remarks showing that they are to accept an opinion contrary to theirs. The worst is that they have not enough common sense to listen to those who intend to express their views as strongly as they do.

Some remarks are called for about lotteries, which through the ages have been seen in different lights. At times, their morality or their opportunity has been questioned, but finally their principle has apparently become accepted almost everywhere.

It would not be exaggerated, I think, to maintain that it is human to want sometimes to try one's luck.

Would I be going too far if I said that in life everything is in a way a lottery. Birth as well as success are the results of chance which sometimes changes completely the life of a man. An unexpected event, a road accident, in short a mere nothing can change the course of his life. Very often man's destiny is the product of chance.

Some sceptics will suggest that I fail to recognize the fundamental characteristics of man, namely will and intelligence, which permit him to make his way alone if he wants to. On the contrary, Mr. Speaker, I recognize these qualities as essential. I only say that sometimes they are not sufficient.

Moreover, for every human being gambling is an obsession. As I said, every man wants to try his luck. Betting is an ordinary thing, whether it be in sports or in speculations.

Ask anyone if from time to time he does not like to try his luck. If he replies no, take his word for it. If he says nothing, you can wonder.

Lotteries have their roots in man's age-old thirst for gambling. The first are reported to have existed in ancient Rome under Augustus and Nero. I admit that they had quite a simple form at that time: when games or circuses were being held, small tickets were dropped among the crowd; some of them had something written on them, for instance the words: a slave, a horse or an earthen pot, and others were blank. People hurried to pick them up, and those lucky enough to pick up one with an inscription could claim whatever was written on it.

The first organized lottery made its appearance in Italy in the fourteenth century.

Habits have not evolved much since then, Mr. Speaker, for what I have just said is derived from a speech delivered in 1934 by Hon. Athanase David, then Secretary of the Province of Quebec.

Mr. Speaker, the more times change, the more alike they are. People think today that a lottery would meet a need.

The best thing would be for Canadians to start saving their money or investing it, but some of them feel they can channel it into games of chance. I do not know how we could prevent them from doing so, but in any event millions of dollars are swallowed up by gambling and go abroad whereas they could be put to use in this country for our own people.

I think, Mr. Speaker, that this legislation will enable our modern society to go one step ahead.

I ask our friends of the Ralliement Créditiste to show enough common sense to join the majority of members in endorsing the principle of lotteries.

Mr. Henry Latulippe (Compton): Mr. Speaker, I should like to discuss the amendment moved by the hon. member for Winnipeg North Centre (Mr. Knowles). I am somewhat agreeable to it. I should like to say that we are not opposed to lotteries, in view of the circumstances but if our economic situation rated better, there would be no need for national, provincial, municipal or school barbottes.

Today reference is made to the legalization of lotteries in Canada and in the provinces especially because the provinces, the school boards, the municipalities, and the religious institutions can no longer pay off their tremendous debts.

I would say to the hon. member for Lapointe (Mr. Marceau) that the citizens who wish to buy tickets will have to go and

borrow the money because there is not one red cent which has not been borrowed free of interest. However, special taxes and rates empoverish the citizens.

Every time a citizen visits those barbottes he will have to borrow money, go into debt and pay back an interest ranging from 10 to 24 per cent to high finance which has the support of the hon. member for Lapointe and other members of this house, the Prime Minister, (Mr. Trudeau) the Leader of the Opposition (Mr. Stanfield) and all those who do not want to listen to reason.

Those who do not want to understand that money is but a tool for the use of man, are inhuman. Money is not a tool for the exploitation of man but they are using it as such and they become themselves exploiters of the nation.

This is the picture of the situation. When the hon. member for Lapointe tells us that we are off our rocker, that we want destruction and ruin, I ask him to tell us who has led this system to ruin?

Mr. Marceau: Mr. Speaker, on a point of order.

Mr. Latulippe: Who has led it to bankruptcy? Is it the Social Credit or this evil system?

Mr. Marceau: I raise a point of order, Mr. Speaker.

Mr. Speaker: Order, I am sorry to have to interrupt the hon. member for Compton in his flight of oratory but the hon. member for Lapointe raises the question of privilege.

Mr. Marceau: Mr. Speaker, I should like to remind my hon. friend that I never said he was out of his mind. I also wish to tell him that I would not go as far as that but if he himself wants to say he is, I do not want to prevent him from doing so.

Mr. Speaker: Order.

Mr. Marceau: I do not want him to ascribe to me—

Mr. Speaker: Order.

Mr. Marceau: —something I did not say.

Mr. Speaker: Order. There is no point of privilege here.

The hon. member for Compton has the floor and we will listen with pleasure to the remainder of his speech.

[Mr. Latulippe.]

Mr. Latulippe: Mr. Speaker, we are really the real builders of the nation. We are those who want to build upon the ruins of the present system, completely worn out by the extravagance of the old parties during many generations.

They were never willing to listen to reason. They never tried to understand the facts of life. They never wanted to recognize facts and apply solutions to enable a nation to develop itself adequately and freely in a country that abounds in resources. There is no lack of abundance nor of production, but of distribution and consumption, on account of the lack of purchasing power. That is one of the reasons why we are establishing barbottes of all kinds.

• (4:50 p.m.)

I apologize for using such a word, Mr. Speaker, but I have to use expressions of that kind in order to interest the hon. members.

Mr. Speaker, in reply to my hon. friend from Lapointe, I have here quotations from the Right Hon. Mackenzie King, who was Prime Minister of this country in 1935. He was a good Liberal, a man who had an understanding of business and a sense of responsibility, in short, someone who wanted to do something good for the nation. Unfortunately, those around him would not understand anything, they called him a bluffer and told him all kinds of unseemly things for he had more insight than they had. We have much respect for that illustrious Prime Minister whose opinions were sound and practical.

This is what he said:

> In a world where the priority of financial credit is every day more prevalent, it is easy to understand that the present system which grants to private interests the privilege and the monopoly of establishing credit has met and is still meeting with a strong opposition.

Several Liberals, at that time, were in disagreement with their Prime Minister.

For instance, commenting on the results of the general elections vote of October 1935, the new prime minister of the day, William Lyon MacKenzie King made the following statement:

> "The election is an endorsement of the Liberal view that credit is a public matter, not of interest to bankers only, but of direct concern to every citizen. It is a verdict against a privately owned and controlled central bank, and in favour of a properly constituted national bank to perform the functions of rediscount, and the control of currency issue considered in terms of public need. There can be no mistaking the demand for a restoration to the government of Canada of control over credit and currency issue."

There is no possible misunderstanding: it means asking to entrust to the government the control over credit and over money.

How is it then that the present Liberal government would disagree and refuse to acknowledge what the former prime minister said.

Mr. Speaker: Order. I wonder if I should interrupt the hon. member but may I remind him that we have now under consideration an amendment on the question of lotteries? I wonder whether this question, which to me seems rather limited, would allow the hon. member to criticize the monetary system of Canada.

I daresay he is going far beyond the limits of the motion we are now considering.

Mr. Latulippe: Mr. Speaker, it may be true that I am going beyond the limits of the motion under consideration but on the other hand this motion is surely related to our economic system.

If we have reached the point where we have to establish such lotteries, it is precisely because our economy is topsy-turvy, is day by day more unbalanced, and leads us to request the setting-up of lotteries to enable us to manage our business.

Lotteries are growing into a necessary financial means. I should point out at what the great men of that time, following the Liberal leader, have demonstrated to the government, to the people of Canada, and to the whole world and that is the necessity for reforms. He specifically pointed at them but no one, I believe, in his government ever understood him.

Today, we are claiming the same thing, and we are scorned by the Liberals.

Everything that is good remains good. We want to build our society, not destroy it. But the citizens do not have the required purchasing power to spend on "barbottes" and we are sure that the people who will gamble will have to find the money somewhere. Social welfare will have to step in to provide for the needs of families at the expense of the taxpayers who earn an honest living.

Mr. Speaker, we must point out the problems and what remedial measures should be taken to correct that degrading, disappointing and economically unhealthy situation.

We are not opposed to the present system, and we would not do away with it, for it is the best system in the world. But we do object to the abuses of the capitalistic system. And if we, elected by the people, do not assume our responsibilities with a view to correcting the awful abuses which corrupt this fundamentally good system, then we are responsible for them.

I could quote you Winston Churchill, who said that the monetary system—

Mr. Speaker: Order. Before the hon. member starts reading those quotations to the house, I should like to remind him, as I mentioned a moment ago, that the house is now dealing with an amendment on lotteries; the hon. member should limit his observations to that matter without discussing, for the benefit of the house and hon. members, the far more general topic of the Canadian monetary system.

Mr. Latulippe: Mr. Speaker, I thank you for calling me back to order. I may not be completely in order, but there were others who were not strictly in order. Mr. Speaker, you have more sympathy for some people than for others, but I shall comply with your decision.

I would like to know why they want to legalize lotteries, at the federal and the provincial level. Why are we discussing this ambiguous measure? It is supposed to settle the financial problems of the provinces, of the federal government and of the municipalities, burdened with unredeemable debts, which carry tremendous rates of interest. Lotteries are not a healthy proposition, for they cannot settle any problem.

The city of Montreal has not settled its problems, though it has a lottery. As a matter of fact, the federal government had to intervene and it will have to do so for a long time, for that city cannot repay its debts. Moreover, all municipalities are in the same position.

• (5:00 p.m.)

On the matter of lotteries, we intend to support the amendment, but we will vote against the bill, because it contains several immoral clauses and it has not been divided. The government has refused to divide this bill as asked by the opposition so that we could approve certain things which we find unnecessary, but that we call urgent, because they could be of assistance to a number of institutions in Canada. We would be in favour of lotteries but as there has been unwillingness to divide this bill and to comply with the will of the people and of the opposition, we will vote against this bill and therefore against lotteries.

If it is not too late, I ask the Minister of Justice (Mr. Turner) to divide this bill. We could then decide in favour of some provisions and against some others.

Mr. Speaker, we cannot decide in favour of this bill, although we shall vote in favour of the amendment. We feel, however that it makes sense. We want to help religious bodies and school boards wishing to conduct lotteries in order to pay their debts or to promote education, as they have no other means to do so.

Several other organizations could benefit by it.

Those who want a house would need lotteries, because they cannot afford to build a house and borrow money at a 10 per cent interest rate.

Mr. Speaker, due to all the consequences of the present disastrous administration, we have to resort to means that I would term illegal, because I believe lotteries are illegal. Indeed, it is not altogether legal to squeeze money out of the taxpayers by extraordinary means, on a few individuals' instigation in order to obtain the necessary money to finance various institutions.

On that point, Mr. Speaker, we could say many things.

For example, we might refer to the hospitals' financial problems, even though they are being subsidized by the provinces. The latter can no longer meet their obligations towards the hospitals, and the federal government does absolutely nothing to lower the interest rate in order to allow the hospitals to carry on their work.

Charity institutions are in the same boat. They need capital, and they are provided with money at a 10 per cent interest.

Municipalities do the same when urgent works have to be undertaken.

Many things are physically, if not financially possible. We should take the time needed to face facts and to ask ourselves frankly if we can finance all that is physically possible by other means, instead of amending the existing laws which now exploit the people. We are satisfied with talking of something else, wasting our time trying to impose lotteries and all sorts of systems which can in no way solve the problem.

Mr. Speaker, we are here to solve that problem. We are here to find solutions to the various problems of our system, to build, not only to destroy. The present system is most certainly not constructive, since the 10 per cent interest rate is destructive. That is robbery, and it has been the downfall of many economic organizations in Canada. Not one member of the Progressive Conservative party—

Mr. Speaker: I regret to interrupt the hon. member, but his time has expired.

[*English*]

The question is on the amendment by Mr. Knowles (Winnipeg North Centre). Is it the pleasure of the house to adopt the said motion? All those in favour will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

Mr. Speaker: I declare the motion negatived on division.

Some hon. Members: Oh, no.

Mr. Speaker: Pursuant to Section 11 of Standing Order 75 the recorded division on the proposed motion stands deferred. The house will now proceed—

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I rise on a point of order and invite the attention of the Minister of Justice and those who are acting as house leaders of the other parties. I am sure we all agree with Your Honour's decision to defer the taking of the recorded divisions on this and other amendments, but I wonder whether I may draw attention to the slight problem we are now running into.

If the debate on the other two amendments included in the first eleven is prolonged beyond tonight, hon. members will realize what this will mean. Tomorrow and Thursday we are to have a debate on a defence and external affairs matter. I presume the debate on the Criminal Code may continue on Friday, but one knows that attendance in the house on Friday is not always 100 per cent.

I wonder, therefore, whether there would not be general agreement in the house to take the votes on the matters that have been deferred at nine thirty o'clock tonight, whatever stage we may have reached? In other words, we could take the votes on those amendments that have been disposed of not later than 9.30 p.m. If amendments Nos. 11 and 9 have also been disposed of they could be voted on at that time. I am not trying to cut off the debate on the amendments that my

friends have proposed, No. 11 and No. 9, but perhaps in view of the broad debate we have had in respect of lotteries on amendment No. 10 the debate on the other two might be shortened.

The sum of my remarks is that we take the votes not later than 9.30 o'clock tonight in order that we may clear up what we have disposed of at that time.

Mr. Turner (Ottawa-Carleton): On the point of order, Mr. Speaker, the suggestion appears satisfactory to us at first blush. I assume that if we are left with two amendments which have not been concluded by 9.30 the hon. member suggests we group those with other amendments that Your Honour intends to group later for a series of votes.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I agree with the suggestion made by the hon. member for Winnipeg North Centre (Mr. Knowles) as far as amendment No. 8 is concerned.

With regard to amendments Nos. 9, 10 and 11, I do not agree for the reason that they refer to the same clauses of the bill.

According to indications you gave at the outset of the debate on bill C-150, those amendments would be debated as far as amendment No. 11. If we voted as suggested by the hon. member for Winnipeg North Centre, that might indicate a change in the speeches on amendments Nos. 9 and 11.

For the same reasons put forward with regard to amendments Nos. 3 and 4, we could agree to the proposition made by the hon. member for Winnipeg North Centre until we reach amendment No. 8.

[*English*]

Mr. McCleave: Mr. Speaker, in respect of the suggestion by the hon. member for Winnipeg North Centre, I think the more logical course would be for us to complete the debate on amendments 9 and 11 since amendments 10 and 11 fit logically together. At that point we should vote on everything. I understand the hon. member suggests that if at 9.30 this evening we have not completed the debate on amendments 9 and 11 we should hold any recorded votes that arise on amendments preceding No. 9 so we will keep everything in neat packages. This should commend itself to Your Honour as providing some protection to those members in the corner of the chamber to my left who moved other amendments or have not had the opportunity to speak on them, although the hon. member for Winnipeg North Centre has had this opportunity. I believe there should be a mixture of both common sense and democratic procedure adopted in respect of these votes.

Mr. Lewis: Mr. Speaker, I think the last remark of the hon. member who preceded me was not intended as a shot at the hon. member for Winnipeg North Centre, who made it very clear that he did not want to interfere with anyone's right to carry on the debate.

I rise mainly to bring out the following point in respect of this point of order, and I hope the hon. members who gave notice of amendments Nos. 9 and 11 will not take umbrage at what I am about to say. I have not taken part in the debate on amendment No. 10 regarding lotteries but I sat here much of yesterday listening to the debate, which I might add was very interesting.

• (5:10 p.m.)

Let me address myself particularly to the amendments of the members of the Creditiste Party and ask them whether this is a fair statement. I have noticed that the debate so far on amendment No. 10 has by no means always been limited to that amendment. Amendment No. 10 deals only with the deletion from the amendments to the Criminal Code of the reference to provincial and federal lotteries. A number of speeches were not at all limited to that question but dealt with the whole question of lotteries private and public, the whole ambit of legislation concerning lotteries, and the whole ambit of the amendments proposed to the Criminal Code concerning lotteries.

I am wondering, therefore, whether the hon. member for Abitibi, whose contribution to the house and whose sincerity I very much respect, and the other members of his party would not agree that having had this kind of discussion, wandering all over the question of lotteries, we could set ourselves a goal of ending the discussion on amendments Nos. 9, 10 and 11 by 9.30 this evening. If hon. members of the Creditiste party, or two or three of them, were to speak again on amendment No. 9 or 11, they would merely be repeating what they have already said on amendment No. 10. I have great respect for their ingenuity to say it in a different way, but it would in substance be repetition.

This is the fifth day of the report stage of this bill. There are some 40 amendments; I do not recall how many have been declared out of order and what combinations are being

made. But we are only on the ninth one; it is No. 10 but it is really the ninth because we dealt with No. 8 and went on to No. 10. This raises a pretty horrendous proposition.

When we reach the amendments with regard to abortion there will be a great deal of honest and sincere feeling on that subject which will require and should have many days of discussion. I repeat that since we have had last evening and this afternoon, and will continue to have some time this evening, on the question of lotteries, and since many speeches dealt with the entire subject rather than being limited to the narrow points of amendment No. 10, which the Chair presumably could have insisted upon but which in its usual wisdom it did not do. I wonder whether we could not agree to end the debate on amendments 9, 10 and 11 by 9.30 this evening.

Mr. Woolliams: Or before.

Mr. Lewis: Or before, but at least by 9.30, and take the votes on everything up to No. 11. I suggest this merely for the consideration of hon. members.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, according to the hon. member for York South (Mr. Lewis), we are bent on extending the debate. I want to make it clear that we intend to do so. It is as simple as that. We have no objection to a vote being taken on everything that has been discussed up to now, including the amendment of the hon. member for Winnipeg North Centre (Mr. Knowles).

However, I think that amendments Nos. 9 and 11 moved by the hon. member for Abitibi (Mr. Laprise) must also be discussed because we still have something to say, even though we may have to repeat in other terms what we already said, as the hon. member for York South remarked. We can express our argument differently, and we will surely use all our cleverness to stretch this debate.

[*English*]

Mr. Woolliams: Mr. Speaker, I shall be brief. We have now completed up to amendment No. 10 and are down to No. 11. I agree with the suggestion with one exception. Do not let us set the hour of 9.30. We should be able to complete this discussion long before that. But let us set a target of 9.30 at the latest with respect to lotteries. I agree that the debate has been useful, but everybody who has spoken and to whom I have listened has covered the whole subject in reference to all the amendments. They have not particularized.

In making this suggestion I am not trying to recommend any form of closure, but surely we should not set a target of 9.30. We have had a full discussion and we might, as reasonable people, be able to finish this matter as early as 5.30 or 8.30. I do not know why we have to say 9.30. Perhaps that is because it is near the closing hour. I think the suggestion made is a good one, but we should be able to complete discussion of this question before 9.30. We should be able to accomplish what we have to accomplish before that time. There are other points in this bill that I know many members want to talk about.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I wonder whether I could now make the suggestion that at the dinner hour there be consultations among representatives of the parties to see if we can come to some agreement that will meet the wishes of all of us. I think there is a general desire to have some of the votes tonight, knowing that we cannot have them on Wednesday or Thursday and that there might not be a universal desire to have them on Friday.

Mr. Turner (Ottawa-Carleton): We will have our representative there, Mr. Speaker. Naturally we are in favour of any reasonable arrangement that can be made, but we want to reserve our position to see where we stand at 9.30.

Mr. Speaker: Order, please. Hon. members know that the original decision was that amendments 1 to 11 would be voted on together. That was the official decision arrived at after hearing the views of all hon. members. I would not think the Chair could change this position now, unless there is agreement on the part of all hon. members. I think the suggestion made by the hon. member for Winnipeg North Centre, and concurred in by other hon. members, is probably very valid but that no change should be made to the original decision unless there is some measure of agreement following the usual consultations among hon. members. I would therefore proceed at this point to put to the house the adjournment proceedings.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty, pursuant to Standing Order 40, to inform the house that the questions to be raised at the time of adjournment tonight are the following: The hon. member for Vancouver-Kingsway (Mrs. MacInnis)—Combines—drugs—price fixing by B.C. pharmacists; the hon. member for Brandon-Souris (Mr. Dinsdale)—National Parks—alteration of land tenure principle.

GOVERNMENT ORDERS

CRIMINAL CODE

REPORT STAGE

The house resumed consideration of Bill C-150, to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

• (5:20 p.m.)

[*Translation*]

Mr. Gérard Laprise (Abitibi) moved:

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting from clause 13 at lines 41 and 42, page 31, the words: "either alone or in conjunction with the government of another province"; and by deleting also at lines 44 and 45 the words: "in that province, or in that and such other province"

Mr. Speaker, I moved that amendment to clause 13 of Bill C-150 regarding lotteries in order to clear up some clauses of the bill.

However, I would have preferred to consider first amendment No. 9 whose effect would be to delete clauses 12 and 13 from Bill C-150. If the house had agreed to delete both clauses, the two other amendments on the same subject would have been unnecessary and we would therefore have avoided a few more hours of discussion on this subject.

For reasons I do not understand very well but that I accept, the Chair has steered us towards amendments Nos. 10 and 11 before reverting to amendment No. 9. During the few minutes allotted to me, I shall speak on clause 13 which deals with lotteries.

The amendment I am moving simply aims to correct subparagraph (b) of paragraph (1) of the new clause 179A which reads as follows:

Notwithstanding any of the provisions of this part relating to gaming and betting, it shall be lawful

(b) for the government of a province, either alone or in conjunction with the government of another province, to conduct and manage a lottery scheme in that province, or in that and such other province, in accordance with any law enacted by the legislature of that province and for that purpose for any person in accordance with such law to do anything described in any of paragraphs (a) to (f) of subsection (1) or subsection (4) of section 179;

Mr. Speaker, the purpose of the amendment I am moving is to delete certain words from this clause, which would now read as follows, and I quote:

—for the government of a province, to conduct and manage a lottery scheme, in accordance with any law enacted by the legislature of that province.

Then, the government of a province could conduct and manage a lottery scheme, as enacted by the amendment I am moving to clause 13 of Bill C-150.

Mr. Speaker, I first moved an amendment to delete clause 13 completely from Bill C-150, as well as clause 12 which deals with the same subject.

If I moved this amendment, it is because I do not know exactly what the law provides with regard to lotteries in Canada.

I am fairly well aware, however, of the manner in which it is applied in the province of Quebec. I believe that the latitude given by the Criminal Code, with regard to this matter, is wide enough to allow any charitable organization or agricultural fair to set up lotteries.

We also know that Mayor Drapeau has succeeded in organizing his own lottery, which seems quite legal to me, since those who have tried to prevent the city of Montreal from operating its lottery did not have much success.

Proceedings may have been held in Superior Courts to have the Montreal lottery declared illegal, but I think it is already too late and that a precedent has been established. Even if one succeeded in proving that the Montreal lottery is illegal, nothing could be done now, because the mayor of

Montreal could not be forced to take back the thousands of dollars he has distributed through his lottery, nor could he be forced to return to all those who purchased tickets the two dollars he received from each of them. He could not be forced either to dismiss all employees who run the lottery.

For all those reasons, Mr. Speaker, I believe there is nothing we can say against the lotteries now being operated in the province of Quebec and in Canada.

That is one of the reasons why I appprove the amendment moved by the hon. member for Winnipeg North Centre, even if I have not spoken in favour of it. I support the amendment because it simply deletes paragraphs (a) and (b) of clause 13 and leaves charitable organizations free to operate lotteries.

So, whether one is for or against clause 13, that will not have much effect on what presently takes place in Canada.

We are asked to amend the Criminal Code in order to legalize lotteries operated by the federal government, the provincial governments and the municipalities, for certain reasons.

But that has been going on for many years, on the pretext, for instance, of helping municipalities to carry out their administrative duties.

We are told that they could help hospitals to meet their obligations.

Those are not valid arguments, in my view, because there are other means, more efficient and much more equitable, of realizing the same objectives.

• (5:30 p.m.)

If the government has yielded to pressures, it was in order to satisfy the numerous requests made by the provinces. To obtain new fields of taxation, the provinces come to Ottawa, not once but two or three times a year.

Municipalities make pilgrimages to their capital city to get from the provincial government greater powers of taxation.

So, faced with reiterated representations from the various public bodies of the provinces, the government which is no longer willing or able to give such powers, now offers them this indirect form of taxing the Canadian citizen.

Mr. Speaker, I believe this method of disguised taxation is unfair because even a brief study of income tax will show that is entirely different.

Our fiscal system is based on two distinct sources of revenues: taxes on the income of individuals and corporations, and excise tax.

Mr. Speaker, I recognize the merits of the first method, but I deny those of the second, because it is used to levy indirect taxes, both on those who are unable to pay and those who can, while the personal income tax could be set up in such a way as to tax only those who can pay.

Mr. Speaker, when I say that I support an income tax system, I mean that we should leave the worker enough take-home pay to allow him to provide a decent living for his family. That is why we urge that the amount of non-taxable income be raised to $5,000 a year, at least, for married persons.

In my opinion, this way of imposing a disguised or voluntary tax is unjust, because it affects even those who cannot afford to pay taxes.

This new method of taxation is unjust and ineffective, because it is too unsteady a source of revenue. It is therefore surely impossible to use that means of taxation. If we want to allow municipalities to use that tax system—Mayor Drapeau of Montreal was in a position to realize it—no municipality will be able to prepare a reasonable budget based on revenues from a lottery.

This is why we cannot rely on receipts from lotteries to replenish municipal funds or help finance hospitals.

In my opinion, the lottery system is not valid, since changes to the tax structure should be made through adequate legislation based on the opinion of tax specialists, as is advocated by the Carter report and other official documents.

Mr. Speaker, if we are to develop a taxation system, I suggest we should proceed in an orthodox way so that people may know exactly where they stand. This is why I wanted clauses 12 and 13 to be deleted or clause 13 to be amended.

Another reason that made me bring this motion forward is that if a province is permitted to set up its own lottery system, another province cannot be denied that right. Can you imagine what would happen if all ten provinces decided to organize lotteries. It would be a mad competitive rush for the citizen's dollar. Provincial governments would be at each other's throats, and so would the inhabitants of the various provinces, who

would resent a neighbouring province reaching from across the border for their own resources. This would cause discord within Canada and would be another subject for the governments and citizens in the provinces to wrangle over.

This is why we think that the present act should not become more lenient.

I have another point to draw to the attention of the house. I have listened carefully to every speech since the beginning of this debate on lotteries and nobody raised that point.

I do not wish to venture into any intricacies, Mr. Speaker, but as far as the administration of the province of Quebec is concerned, I know it well enough to be aware of the greediness of some civil servants. Naturally, this does not apply to all of them, but I know that some civil servants are extremely greedy and this may lead to abuses in the administration and the conduct of a provincial lottery.

The same goes for municipalities. According to the *Maclean's* magazine, a gang of criminals in the United States earned $13,500 and $14,000 unlawfully.

Mr. Speaker, there is also the danger that the underworld could creep in, even without knowledge of a province or a municipality, to take over the giving of prizes.

We remember what happened not long ago at the Montreal Forum. It was discovered that, unknown to the management, the time-keeping system at hockey games had fallen into the hands of quite unscrupulous persons. It is a danger we could face.

The example of a social club which was for a quite worthwhile project is also quoted. The company involved received $100,000 for the administration, in addition to $69,000 in gifts, while the profits for charitable organizations only reached the sum of $30,000 for a 4-year period.

Mr. Speaker, the dangers arising from the administration of such indirect systems of taxation are very serious and the profits will be small in comparison with the money spent by the people.

Mr. Speaker, I think that it is unadvisable to bring in any amendment to the section on lotteries. Anyhow, I suggest to the house, in case amendment No. 9 is not carried, to take at least the trouble of considering amendment No. 11 to paragraph (b) now under discussion which would prevent any confusion should the provinces wish to avail themselves of that legislation. This in order to avoid disputes within provincial lottery systems.

Mr. Speaker, I do not intend at this stage to continue my comments on the matter. I know that the house is already acquainted with many views on the subject and I will be pleased to hear others which will be stated.

• (5:40 p.m.)

[*English*]

The Acting Speaker (Mr. Béchard): Is the house ready for the question?

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I think I should speak on the motion of the hon. member for Abitibi (Mr. Laprise) to delete clauses 12 and 13 in the omnibus bill. These clauses, as we know, are intended to legalize national as well as provincial lotteries.

Mr. Speaker, I would not want to waste the time of the house, but I should like to put forward some arguments in support of the assertions of the hon. member for Abitibi.

Mr. Speaker, I think that the remarks of the hon. member for Abitibi a while ago, give cause for reflection to all members interested in the administration of our country and give us the opportunity to think about the establishment of a national lottery.

Mr. Speaker, I listened with interest this afternoon the comments of the hon. member for Trois-Rivières (Mr. Mongrain) and I am pleased to see that he considers several of our proposals as acceptable.

I hope, Mr. Speaker, that members will give more and more consideration to these proposals so as to come to some conclusion.

With regard to lotteries, I think the problem is rather complex. It has often been said since this debate started that the acknowledged purpose of a lottery was to supply an additional source of revenues tc the State.

To confirm such statements, I have here an article of *La Presse* dated January 20, 1968, which some members may have read. It is excellent and was written by Mr. André Béliveau. I quote:

No doubt that the main quality of a lottery is that it can be a source of considerable revenues to the State.

Mr. Speaker, the reporter even thinks it his duty to recognize that ultimately the object of a national lottery is indeed to provide the State with additional revenues

So governments have here a financial, a monetary problem. And the reporter goes on to say:

—In its report tabled in December 1965, the royal commission on taxation whose chairman was Mr. Marcel Bélanger, roughly estimated the net revenue that would accrue to the State of Quebec at $10 million per annum. Although the Bélanger Commission considers that amount as a maximum, several proponents of the legalization of lotteries question it and point out that the New Hampshire lottery, established in 1934, even in its first year produced almost twice the amount that had been expected and that the receipts from the New Zealand lottery, created in 1961, exceed by 500 per cent the experts' forecasts.

Anyway, the $10 million foreseen by the Bélanger Commission would already represent 0.55 per cent of all the revenues the province of Quebec got in 1966. Although comparatively small at first sight, such extra returns are not negligible in a country in full expansion where needs are urgent in all sectors.

I think that document most interesting for whoever wants to know all that a lottery scheme entails.

Mr. Speaker, right now, let us say that we see no immorality in the establishment of a lottery. For my part, I see nothing moral or immoral in it.

A lottery is simply a financial scheme inviting people, according to the definition given, to buy tickets on which they hope to win a very attractive prize.

In my opinion, that financial scheme designed to get money out of the taxpayers' pockets is different from the taxation system. As the hon. member for Abitibi (Mr. Laprise) has said, the taxation system affects all the activities of our daily lives. If one buys some goods, he pays the sales tax, and if he produces something, he pays the production tax; the same thing goes as regards consumption, and so forth. At all times, the presence of the governments is felt. The taxes that are levied reduce our buying power.

• (5:50 p.m.)

This is one form of taxation because, in fact taxes are called by several names: surcharge, social development, and so on.

There is another way of getting money out of the pockets of the taxpayers, it is the income tax.

Minimums and maximums are imposed, tax rates are established and the product of labour is taxed. There are also other kinds of taxes and dues, of course, such as land tax, for instance.

[Mr. Fortin.]

Today we notice that our financial obligations are growing increasingly while our ability to pay back becomes increasingly limited. Thus because our resources are limited we have to realize that our financing and administrative system is inadequate. Within the administration, municipal as well as provincial or federal gaps develop which are difficult to fill. The municipalities are aware of it because they have commitments to meet and they do not have the money to do it.

This is one of the reasons why governments promise from one election to the next a reduction in taxes, and once in office nothing happens. No government has ever reduced taxes because obligations are increasing and economic expansion is conceived only on the basis of taxes. Therefore taxes can only but increase under this system.

Mr. Speaker, faced with this inability of the present financial system to reach its goal, several people interested in economic matters say that a lottery system might help us make ends meet. Lotteries, we are told, could bring in some money. What is the basis for saying that?

Mr. Speaker, those who favour lotteries claim that every year a fantastic, scandalous and unacceptable amount of Canadian capital goes abroad, and that if we had national, provincial or municipal lotteries, that money would stay in Canada.

This argument based on an economic nationalism is used, according to which Canadian capital should stay in Canada to foster its economic expansion. Statistics, ideas are put forth to try to prove that theory.

In the *La Presse* dated January 20, an article signed by André Béliveau was published under the title: *Un exode de* 150 *millions,* and I quote:

It is therefore not surprising, in those conditions, that Canadians also should have such an inclination to gambling. For there is much gambling in Canada. One of *Maclean's* writers, Alan Phillips, estimated in 1964 the total annual stake—legal and clandestine—of Canadians at close to $2 billion. As the only form of game under the control of the government is the race track pari-mutuel, it is difficult to get more accurate statistics.

It is estimated that the outflow of Canadian capital to some 70 countries which offer us their sweepstake tickets amounts to roughly $150 million a year.

Mr. Speaker, I admit that Canada loses fantastic amounts of money every year, money which goes to 70 countries where lotteries are legal. But, while agreeing with this argument, I do not feel that it is necessarily conclusive,

and that to check this outflow of money we should set up a lottery system.

When you want to control a flooding, you build a dam. You do not bring in more water, because it would not make sense.

Because of the outflow of capital, we should have our own lottery system. It would only be one more lottery. Indeed, if a state lottery were set up in Canada, under this omnibus bill introduced by the Minister of Justice and if the provinces and municipalities were to do likewise, would it be illegal for Canadians to participate in foreign lotteries?

If we do not make it illegal for Canadians to take part in foreign lotteries such as the Irish sweepstake for instance, Canadian capital will not only go abroad, but it will also go to the various provinces and the problem of the outflow of Canadian capital will not be solved.

To prevent such an outflow, we should raise barriers, instead of legalizing lotteries,—as we did for instance during the Kennedy round negotiations.

It would be one way, though possibly not the best, of solving the problem. So this is my suggestion: let us be consistent, Mr. Speaker and stop saying we need a state lottery system under the pretence that Canadian capital is going abroad. Such a suggestion does not make sense, it does not hold water.

That is why, Mr. Speaker, I am glad the hon. member for Abitibi (Mr. Laprise) has moved this motion tending to delete from the omnibus bill the clauses pertaining to lotteries, because, as any Canadian, I realize there is a flow of Canadian capital going abroad and also that this solution which is considered as sound, is not really effective and is unlikely to settle the problems of the municipalities, of the provinces and of federal government.

It matters little whether we shall set up 10 lotteries or just one, or whether we shall need 25 lotteries to meet our financial requirements. The basic problem goes deeper than that. We have ignored it for too long and, unfortunately, it is overlooked by too many people.

Mr. Speaker, I wish to tell the house that there is nothing wrong with a lottery system. I believe everybody likes an occasional bet. In my opinion there is nothing wrong with that, provided it is done honestly.

However, they should not try to convince us that without a lottery system there can be no public financing or that such a system stops the outflow of Canadian capital. In my opinion, those arguments do not wash from the economic point of view and we are just running around in circles.

Therefore, I deem it my duty—and I hope many members will do the same—to support the amendment moved by the hon. member for Abitibi.

I suggest that in the interest of Canada's economic growth we give it some serious thought.

[*English*]

The Acting Speaker (Mr. Béchard): Order. It being six o'clock, I do now leave the chair to resume the same at eight o'clock.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

The Acting Speaker (Mr. Béchard): Is the house ready for the question?

[*Translation*]

The motion is on amendment No. 11 by Mr. Laprise amending section 13 of Bill C-150.

All those in favour will please say yea.

[*English*]

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Béchard): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Béchard): Pursuant to Standing Order 75(11) the vote on this amendment stands deferred.

[*Translation*]

We will now proceed with consideration of amendment No. 9 by Mr. Laprise.

Mr. Laprise moved:

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting therefrom clauses 12 and 13.

Mr. Speaker, I wish to deal now with amendment No. 9.

The purpose of this amendment, as I pointed out earlier, is to delete completely the new provisions concerning federal and provincial lotteries.

As I already explained, I am not against lotteries, but I believe those who wish to set up lotteries at the present time can do so. Certain municipalities, for instance, have done it. I already referred to the city of Montreal —I do not wish to stress the matter any further. We should leave it at that as far as the lotteries are concerned.

I note that certain charity organizations, social clubs, farm associations, agricultural fairs or local exhibitions may conduct bingos etc., in order to help certain sporting clubs. It is relatively easy at the present time, under the provisions of the Criminal Code, to resort to such means to help out organizations in need of additional funds to pursue their work during the year.

We know also that some catholic parishes have from time to time to conduct lotteries to pay the interest of their debts owing to the construction of churches, for instance. I do not know what goes on in protestant parishes, but as far as catholic parishes are concerned, to build a church, money must be borrowed and the church is thus paid for two or three times over. In order to pay the interest, during the year, raffles and parties must be organized to get some assistance and people may be entertained and practise charity at the same time.

Under the provisions of the Criminal Code those kinds of lotteries are legal. The amendment to the Criminal Code serves an altogether different purpose. It aims at enabling provinces, as well as the federal government, if needed, to conduct lotteries in order to finance Administration out of a concealed tax. The coffers must be filled, for not only are the funds inadequate, but the people are fed up; they pay enough taxes of all kinds, and they balk at each new tax which the government slaps on.

It seems as if, through that amendment, the governments of the different provinces as well as the federal government would be allowed to use an act to extend the tax system and turn lotteries into a hidden tax.

Mr. Speaker, I know that the government has some needs, that it has to meet heavy expenses, to finance public works, at the federal as well as provincial levels, but if the government wants it, it can use any means to reinforce its fiscal system.

I think the government should use, as some of my colleagues have suggested earlier today, a truly Canadian institution, namely the Bank of Canada, to finance public administration—I am not speaking of private business—at any level. Then the government would not have to pass regulations or measures such as we see here this evening to secure additional revenue to finance its administration.

For these reasons, Mr. Speaker, I suggest to delete from bill C-150 clauses 12 and 13, which deal with lotteries.

Mr. Speaker, we should consider this amendment, as well as amendments 11 and 10. I think they are similar. As we study them, we come to the conclusion that they recommend the status quo with regard to lotteries.

• (8:10 p.m.)

Mr. René Matte (Champlain): Mr. Speaker, towards the end of the afternoon I heard the hon. member for York South (Mr. Lewis) accusing us of making the same speeches over and over again.

Mr. Speaker, I was a teacher for 13 years before becoming a member of this house and I learned that when one has to deal with thick-headed people, with blockheads, one has to keep trying relentlessly and repeat oneself several times in order to be well understood. This is why we want to make sure we are well understood and we are stressing our views on bill C-150 generally and particularly on the amendments now before us, aiming to delete clauses 12 and 13 from the bill.

The hon. member for Abitibi (Mr. Laprise), who moved this amendment, has just given us some reasons justifying the deletion of those two clauses.

I have given my views on the subject of lotteries this afternoon when I said that I am not in favour of the establishment of a national lottery, but that considering the present system, we find ourselves nevertheless compelled to accept lotteries in order to replenish the funds of some organizations, and, in particular, those of the provincial governments or municipalities, as it is now being done in Montreal.

Some religious, social and charitable non profit organizations, manage in this way to collect funds to alleviate poverty and misery.

We are still convinced that the principle of lotteries is somewhat immoral, since we are staking on the passion and the taste for

gambling of the people. However, I admit that within some limits, one must give way to one's instincts and this gambling spirit which is linked to the desire to make a fast buck.

Therefore, if we want to replenish the public treasury by exploiting that passion, it is not desirable to that extent, but as has been repeated many times—and we take pleasure in doing so—as long as we do not cure that ill and administer the proper remedy, we will have to accept, whether we like it or not, these various palliatives which are an attempt to solve, in a way, the taxation problem.

I do say "settle in some way" since this morning, in the house, my colleague, the hon. member for Shefford (Mr. Rondeau), pointed out for a fact that lotteries organized in various countries have only succeeded in financing administrative costs of hospitals for three or four days. So, this is not a very interesting solution. If some consideration had been given to other means, we would not be facing such problems now. Should we favour lotteries or not? It is unfortunate that we have not been able to give serious consideration to other solutions to the financial problems.

And, as lotteries that we are asked to legalize, are generally held for the purpose of helping the under-privileged and various welfare institutions, the matter is directly related to the human being.

Instead of letting us debate such matters, the government should propose various economic solutions to be applied in order to avoid surtax, to help the poor as well as such organizations whose object is to protect human beings.

If we had to discuss that, it would be more interesting than to be kept in the dark and to have to wonder whether or not it would be advisable to legalize lotteries. It is not funny really to talk about rather unimportant and artificial things which offer no solution to the economic problems.

Heaven knows how often the Créditistes have put the finger on these problems these past years. And they also suggested true solutions. We must unfortunately realize that we are not taken seriously enough. But some day the reason behind the legalization of lotteries will be taken into consideration and it will be realized then that this was a big step forward. In the meantime, we are in the dark.

Where will the money to be invested in lotteries come from? Will it be a new form of credit? Where will the participants find the money? The hon. member for Compton (Mr. Latulippe) said this afternoon that some people are so eager to gamble that they would go as far as borrowing in order to be able to take part in lotteries. Well, then money is not fulfilling its true function which should be to serve the individual and help him achieve personal development.

Mr. Speaker, we are talking about lotteries, games of chance and I would like to indicate that I am more interested than usual in the hockey game, tonight, precisely because I have made a few bets.

• (8:20 p.m.)

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, it is my duty to make a few comments on the amendment of the hon. member for Abitibi (Mr. Laprise) because it concerns lotteries, a subject I have been interested in for many years.

It is probably known, Mr. Speaker, that since 1951, I have advocated amendments to the Criminal Code, to legalize lotteries, both at the provincial and federal levels.

The motion of my colleague, the hon. member for Abitibi, intends to delete such amendment to the Criminal Code. I am somewhat surprised since, in the past, some of his leagues of the Ralliement Créditiste, in bills they introduced in the house, sort of plagiarized the one I myself proposed in past years for the establishment of a provincial lottery. I must say that I am somewhat disappointed, since it has taken the house more than 10 years of consultations, discussions, hesitations and studies of all kinds to finally arrive at a solution.

I would have been easy several years ago to make that amendment to the Criminal Code, in order to legalize lotteries if there had been less partisanship in this house on the matter, since most Canadians are in favour of it.

I remember having introduced in this house a few years ago a bill, the passage of which had been moved by a member of the New Democratic Party. Unfortunately, the bill was defeated because it was considered during the private members' hour and time ran out before it could be passed by the house. But on that occasion, all the hon. members supported my motion.

I am pleased, even if it is a little late that this house has listened to reason and has decided that the committee on justice and legal affairs should recommend the passage of

that legislation for the establishment of provincial lotteries and giving to the federal government the authority to act in that field.

Mr. Speaker, I should like to mention now that I had made a study and some inquiries myself. I had written to nearly all the Canadian mayors in order to inquire from the councillors as to whether the people of Canada were in favour of lotteries.

Contrary to what many may think, not a single province in Canada objected to the passing of such legislation.

In a province which I do not want to mention and which was the least in favour of the bill 67 per cent of its citizens approved the establishment of provincial lotteries in Canada.

In the province of Quebec, the figure was over 90 per cent while in Ontario it was over 80 per cent. Most people in all the provinces were agreeable to such a measure.

So we are respecting, I think, the will of the Canadian population which is asking us to legalize lotteries. I should like to emphasize that since the leader of the New Democratic party is against the legalization of lotteries. I would invite him to refer to the official report of the house where he will find that his own party had already recommended and moved the passing of that legislation.

Mr. Speaker, I feel that the lottery scheme is a must in the context of modern Canada. Anyone knows that every day millions of lottery tickets are sold in Canada. Lotteries have been established all over the world, in Jamaica, Ireland, Britain, New Zealand, Mexico, and so forth. Over 70 countries in the world have set up lottery schemes. I might point out that New Zealand has set up what is called a "Peewee" lottery, designed to provide the federal government with an indirect source of revenue.

In some cases, it is really an indirect tax, paid, all the same, on a voluntary basis. In that country, the lottery scheme has succeeded so well that the government had to increase the amounts of the prizes and reduce the price of tickets because it showed excess revenues.

Those are facts that the hon. members can readily check through relevant statistics.

Concerning that amendment to the omnibus bill, it remains to be seen whether, by means of the legislation, we shall prevent an outflow of millions of Canadian dollars abroad. According to Progressive Conservative quarters, they are estimated at $300 million. They serve for such purposes as welfare, social assistance or hospitalization, while we are in great need of them here in Canada.

I am surprised to hear the hon. member for Abitibi (Mr. Laprise) advocate the passage of a legislation depriving Canadian citizens of some benefits they would obtain without any levy of new taxes.

I regret that it took us so long to pass this legislation.

We are aware of one fact: the Mayor of Montreal, Mr. Jean Drapeau, has set up what he calls a voluntary tax, which is in fact a lottery. All this shows the hypocrisy of this government. By its indecision and its delays, it incited people to indulge in this hypocrisy, since a lottery has been simply established under the disguise of a voluntary tax. I want to point out the danger of a government which is not willing to meet the needs and the conditions of our time.

Should we have legalized lotteries a long time ago, we would not have induced the people to indulge in hyprocrisy openly and to scorn the law. As far as I am concerned, Mayor Drapeau's lottery is surely a lottery, and under section 179 of the Criminal Code, it is illegal. I do not want to dwell on this subject, because the matter is before the High Courts. Since this matter is *sub judice*, it would not be proper to discuss it here.

Mr. Speaker, some people across Canada have shown a very great interest in this matter.

Among others, a lady who had no other obligation left all her savings there. She spent several years to get thousands of signatures in favour of this bill. I am referring to Mrs. Mary English, whom I greatly admire. She travelled across Canada for many years to show the benefits that Canadians would derive from a lottery. Of course, she lost her last penny and the shirt off her back. She made great sacrifices and I am glad of this opportunity to pay a tribute to her. When Canadians really take an interest in public matters, they can accomplish great things for the good of Canada. I have looked into her work and this is why I feel I must speak of it.

It would be useless, Mr. Speaker, to elaborate further on the advantages of lottery and on the proposed amendment. I hope that as soon as the bill is passed in Parliament, the provincial governments will be able, through well-concerted measures, to avoid competition; a non-competitive position is what we are after, and this amendment

proves it. Of course, rumours are being circulated as to possible friction between the provinces. Besides, the legislation itself is, in parts, rather ambiguous. I think we should make certain corrections aiming to prevent prosecution, which would make the legislation ineffective, since the provinces will benefit from complete freedom in this field.

Mr. Speaker, I wish to say that I shall unavoidably vote in favour of every amendment aiming to legalize lottery. Unfortunately, it will not be possible for me, as for several members, to vote in favour of this legislation, since this amendment is part of a whole series.

Some of those amendments relate to homosexuality, others to abortion. Some reforms, however, are quite acceptable. However, I object to homosexuality and to abortion. I will be forced, on third reading, to vote against the legalization of lotteries. It is a contradiction to which we have been driven by the government. Many times, we asked the Minister of Justice (Mr. Turner) to try to understand the problem facing hon. members and to take a fair administrative decision.

Several hon. members want to vote for the legalization of lotteries and for penitentiary reforms.

Several accept the reform of the Criminal Code on firearms, but others are against abortion and homosexuality. To show the Canadian people that we object to those measures, we will be forced when the vote is taken on the amendments as a whole to vote against the legalization of lotteries and against penitentiary reform.

The Acting Speaker (Mr. Béchard): Order.

Mr. Valade: As for the amendments on firearms—

The Acting Speaker (Mr. Béchard): Order. I remind the hon. member that we are now considering the amendment moved by the hon. member for Abitibi (Mr. Laprise) which reads as follows:

—deleting therefrom clauses 12 and 13.

I do not think that the hon. member should now make the speech he will make on motion for third reading.

Mr. Valade: I respect your opinion, Mr. Speaker, and I recognize that you are justified in calling us to order. But I happen to be talking of that very amendment designed to eliminate from the bill omnibus the clause dealing with the legalization of lottery.

I intend to vote for the lotteries, like many of my colleagues, but it will be impossible to vote for such measures on third reading of the bill, since we are introducing a group of amendments among which some are acceptable, while others are not.

That is why Mr. Speaker, I am happy that the government proposed this legislation. Like several of my colleagues, I find it rather difficult to vote against this legislation at the third reading stage because by voting for the whole of the bill we would indicate that we approve provisions which we consider unacceptable, and yet, we are obliged to reject some which would like to adopt.

I take this opportunity to ask the government to revise its position, and the Minister of Justice to shed some light on the proposed legislation.

In all fairness, he should do it, because we, in the opposition, have no way of expressing our opinion clearly when comes voting time, and are thus obliged to do it at the time of the vote on the amendments.

• (8.30 p.m.)

Mr. Bernard F. Dumont (Frontenac): Mr. Speaker, when I heard the previous speaker state that the Montreal lottery is going well and bringing in tremendous revenues, I wondered whether he was defending his constituents, trying to make political hay or to make a statement on the amendment concerning lotteries.

Back in Montreal after a trip through Western Canada where I had seen Canadian people living more seriously perhaps than in Montreal, I wondered if such measures as the one before us were not meant to turn French Canadians in Quebec into people like those of ancient Rome, who were demanding bread and games. It is rather funny that a member for Montreal of the Quebec National Assembly proposed that Man and His World be made into a gambling casino. The previous speaker was in favour of gambling of this kind. I for one can speak about the seriousness of the people of Vancouver, Saskatoon, Regina, Edmonton that make them live the life we were living ourselves in the old days. We were living a simple country life and those people are reminding us that we should be less interested in gambling and consider the more serious side of things.

If the young people of today protest everyday, as they did at Sir George Williams University and elsewhere, and do such awful things, it is because they have lost confidence

in us, their parents, we who are proposing measures that bring nothing but opportunities for people to have fun.

If there are so few members present here this evening, it is because there is a great hockey game to watch on TV.

I am not against sport nor against moderate gambling, but when I see men as responsible as the administrators of the country, while we are discussing an amendment to the Criminal Code concerning lotteries, when we see—

The Acting Speaker (Mr. Béchard): Order. I would ask the hon. member to restrict his remarks to the amendment now under study.

Mr. Dumont: Thank you, Mr. Speaker, because I realize that the amendment is less important than the hockey game. Though I am 40, I am touched when I see people who are not more responsible, an attitude they have been taking since the beginning of the debate on the omnibus bill.

The Acting Speaker (Mr. Béchard): Order, I would ask the hon. member to be responsible and to discuss the amendment under study.

Mr. Dumont: There is an obvious lack of seriousness in this discussion of such an important amendment intended to prevent lotteries from proliferating in Canada.

In the province of Quebec several school boards and even several parish priests have asked in the past that bingos be allowed so that every parish might survive and many times those bingos were prohibited, preventing by the same token the financing of religious works.

Today the amendment under consideration would make it possible to continue these bingos in our parishes. That is why, as an exception, I would favour the amendment which would authorize lotteries so that certain religious orders might get the income they lack because of our inadequate monetary system.

Because of that illogical system crops are left to rot in the west and now they would have the people of Quebec enjoy ourselves more thanks to lotteries.

It is true, Mr. Speaker, that ancient Rome that asked for bread and games is coming back to life in our midst. We have the proof tonight that this very important discussion is not taken seriously mainly because the government will not express its views. The party in power would rather laugh and try to stop us from telling the truth in this house, the truth that the people in our ridings want us to tell. This is what we, of the Ralliement Créditiste, are doing; we approve this amendment to prevent lotteries from going too far.

An attempt has been made in Montreal to make it a city of pleasure, and I do not agree. I am no better Catholic than the Pope, but I would not like to face overwhelming temptations.

Mr. Speaker, as anybody else, when I see a beautiful woman or a place where one can get lots of fun, I feel tempted. If we have lotteries at will, what will be left of the dignity of Parliament? People will come and play cards behind the curtains, for there are people like me who do not smoke. If all those things are legalized, we shall take it easy with those swarming lotteries.

Personally, I object to that. I have a family of seven children and I do not want them to be subject to the temptation of all sorts of gambling games which will prolify tomorrow across Canada.

The people of Western Canada have shown us how dignified they are; why could we not follow their example?

They have preserved their sense of dignity, as I said earlier, because they have preserved the traditions we used to have in our families and parishes in Quebec. But we no more have them and to show us how little serious the Catholic French-Canadian nation is, gambling is offered to us. That is why I very much regret that we should not have had our say in drafting of this omnibus bill which tends to prevent lotteries from spreading everywhere. This amendment gives me serious second-thoughts. Actually, it is the fate of the next generation which is at stake. They will not endorse the frolics of our generation.

We should stick together in our effort, including the government members who are laughing from behind the curtains. But they refuse to state their opinion and to allow their constituents to realize what they really stand for. This is the moment of truth. The people should know where are the trustworthy. Where is the truth, where are the electoral funds which enable the government members to laugh at us and to approve, placidly and without uttering a word, an unacceptable bill.

A sensible amendment is being discussed and they laugh instead of talking seriously. They try to make fun of those who speak, but

the voice of truth comes out in the end and will finally reach the people.

• (8:40 p.m.)

Hon. Martial Asselin (Charlevoix): Mr. Speaker, last week when I dealt with the clause in the omnibus bill concerning homosexuality, I told the minister that this bill included acceptable provisions and how much I regretted to see him force certain members to toe the party line and vote against the bill. In fact the minister has refused since the outset of the debate to accept the proposal put forward by the opposition, namely to divide the bill into four parts, so as to enable members to vote on each part according to their conscience.

Tonight, we have before us an amendment dealing with lotteries. In fact, Mr. Speaker, I must say I am in favour of the provision of the omnibus bill dealing with lotteries. Its object is to legalize something which exists already in practice almost everywhere in Canada, and more particularly in the province of Quebec which I know better, and where lotteries, bingos, serve to finance our recreational activities and charitable organizations. In practice, we want to prevent charitable societies and organizations from being liable to criminal proceedings whenever they wish to raise funds in order to pursue their work. Therefore I am in favour of the lottery bill.

At this stage, Mr. Speaker, I should like to make a digression and say that this house has been hearing about lotteries for a long time. I believe that every year since 1958, a bill concerning lotteries was put on the order paper and the sponsor of such a measure was, in most cases, the member for Sainte-Marie (Mr. Valade) that I wish to congratulate tonight because in fact, he reaps the benefit of his work. The government is asking us to pass a measure designed to legalize lotteries and that is what the member for Sainte-Marie has been asking for since 1958.

Mr. Speaker, lotteries will allow Canadians to keep their money at home. How many Canadians win Irish sweepstake prizes every month or other prices in countries where lotteries are allowed? How many Canadians send money, reported to amount to millions of dollars, to foreign countries, to help their lotteries? The government should legalize lotteries here so that our Canadian money can stay at home and help charitable organizations, for instance, and the provinces to finance recreation which is not a luxury.

I do not agree with the previous speaker when he claims that we speak of nothing but gain and games, for I say that in a modern society organized recreation is a necessity, and we want lotteries to be legalized so that we can organize recreation.

Mr. Speaker, the bill the Minister of Justice (Mr. Turner) has put before us is excellent, and we should pass it. I would have voted for the legalization of lotteries, but unfortunately I shall have to vote against the bill for, as I said at the beginning the minister did not divide the bill in order that the members might decide, according to their conscience, on abortion, homosexuality, lotteries and firearms. The minister thus creates an illogical situation. I am in favour of lotteries, but I must vote against the omnibus bill because some parts of it seem to me unacceptable.

It will be difficult to enforce the provision relating to lotteries, Mr. Speaker. The federal government will allow the provinces to grant lottery licenses. But suppose the province of Quebec decided to use its right to conduct a provincial lottery and that the Attorneys-general of Ontario or of New Brunswick objected to a lottery being conducted in their province. What would be the position of the taxpayers of the other provinces who would come to Quebec to buy lottery tickets? Those people would come under the ambit of the Criminal Code, since the Attorney-general will be free to conduct or not in his province a lottery that the federal government will have legalized. In my opinion, the minister should, before preparing the provision relating to lotteries, have met the Attorneys-general of the provinces in order to know whether they agree upon that matter. I do not know if the minister was in the house, when I indicated my opposition a while ago. It is possible that the province of Quebec will decide to use the power given to it by the federal government to organize a lottery, and that the Attorneys-General of Ontario or New-Brunswick will refuse to do so in their territory.

I therefore ask the minister to enlighten us on that situation, so that we will know what would be the situation of a taxpayer of another province who would come to Quebec to take advantage of a law accepted by that province, since the federal government has given it the authority to establish a lottery.

That is a problem, Mr. Speaker, which I find difficult to resolve. I hope that when the minister has the opportunity to speak on that question he will agree to provide us with details, so that I will know if the citizens, if

the taxpayers of a province who do not have the right to take part in a lottery, because it will be illegal in their own province, will be punished or if they will be allowed to go and buy tickets in a province where a lottery is permitted, under the terms of the power given to it by the federal government.

I hope that the minister will help us out by giving details on that point. I also hope that he will tell us if he has discussed that question with the attorneys general of the other provinces and what conclusions that he will pass on to us the results of such discussions.

• (8:50 p.m.)

Mr. André Fortin (Lotbinière): Mr. Speaker, I admire the parliamentary leadership of the hon. member for Abitibi (Mr. Laprise) who tirelessly participated usefully in this debate, by trying through his amendments to improve this legislation.

The nefarious effects of this bill are being felt already. I wonder if members are aware that a homosexual club has already been opened in Montreal, although the bill has not been passed yet. It is the Gemini I Club, and it has already 4,000 members. Things are moving, Mr. Speaker! If some members want to get a membership card, they should call a gentleman by the name of Bédard, in Montreal.

Mr. Speaker, what will be the outcome of this bill when it is passed, if it already worries the people?

It is my duty to take part once again in this debate to support an amendment moved by the hon. member for Abitibi and which is designed to clarify the situation.

Mr. Speaker, I just listened to the hon. member for Charlevoix (Mr. Asselin) who, considering the innumerable lotteries which seem at first sight prohibited by the Criminal Code, is inclined to favour their legalization.

Mr. Speaker, in our opinion, those are not serious reasons militating in favour of this legislation, even if we do not object to the principle of lotteries, because there is nothing wrong with that. However, we are opposed to the motives for which this government has introduced this bill.

Everyone knows that radio or T.V. "quiz" are common nowadays. Just remember "La poule aux œufs d'or" and other similar games, which are disguised lotteries.

We could consider all the agricultural fairs, parish bingos, raffles organized by businesses, charitable organizations, churches and schools. I remember what that wonderful and great

[Mr. Asselin.]

Liberal party organized during the 1965 elections, in order to attract votes.

Mr. Speaker, lotteries are widespread. However, it is interesting to note that under the terms of the Criminal Code, lotteries are forbidden in Canada. In fact, section 179 of the Criminal Code, adopted in 1893, considers lotteries as illegal and even provides for a two-year period of emprisonment for anyone taking part in the organization or in the management of a lottery.

I think of course, that this legislation is obsolete. However, I cannot believe that one would want to pass legislation under the pretence that one has lost control over its field of application. I cannot accept the argument this legislation makes it possible to keep our capital at home while at the same time we are competing with the English lotteries, and with the lotteries of 70 other countries, which allow Canadians to participate in them clandestinely.

Mr. Speaker, I do not think those are valid arguments.

The hon. member for Abitibi was telling us a few moments ago that bingos and lotteries for the benefit of churches do exist today. Why have we always tolerated such a situation in Canada? The law is not effective. Let us simply delete in paragraph (c) "for a charitable organization", because this is a fact. Lotteries do exist. Unless, of course, we provide more funds for our police forces so that they can exercise a stronger control. This situation is difficult to control because lotteries are being practised on a very high scale in Canada, whether it has to do with hockey games, quizzes, or fairs or the bingos I was referring to earlier.

Mr. Speaker, in this regard, I think that the amendment moved by the hon. member for Abitibi is valid, because it is in line with the present situation. It does not forbid anything more, but it merely allows charitable organizations to continue to benefit from the proceeds of some lotteries that they are allowed to conduct.

Mr. Speaker, the conduct of a lottery in Canada will not solve any financial difficulty; it will only skirt the problems, instead of meeting them head-on.

Governments imagine they will find there a gold mine that will enable them to finance their projects. They are wrong, and if they cling to that idea, it is because they are poor managers. No government should build its budget on a lottery, whether that lottery is

federal, provincial or local. The proof of this is all around us.

Nevertheless, it is true, Mr. Speaker, that a lottery, good in itself, is desirable and the present situation leads us to believe that not only could we tolerate this measure but, even pass it, in respect of charitable organizations which have no other financial means.

• (9:00 p.m.)

In conclusion, Mr. Speaker, I wish to indicate to the house that even if the hon. members admit lotteries in principle, whether they are held at the federal or the provincial level, they cannot cast a favourable vote on that point since thereby they would decide in favour of abortion, homosexuality and many other provisions that are unacceptable, at least to us, of the Ralliement Créditiste.

Even while trying to be consistent and recognizing the merit of lotteries, we cannot support such a legislation. The Minister of Justice (Mr. Turner) has known for a long time that we cannot support this bill since the Prime Minister (Mr. Trudeau) definitely refuses to have it split. He is the only one on the government side to insist on such a procedure.

We are therefore in a rather impossible situation. We can discuss and speak for hours on lotteries. However, when the time to vote will come, even members claiming to be in favour of lotteries will not be able to vote because they will have to vote at the same time for abortion, which is against their principles.

In short, Mr. Speaker, we are once more deluding ourselves with words, with illusions. There is no sense to that. As I said many times, this bill remains a stupid measure, which obliges us to repeat such nonsense for the very simple reason that the debate itself is not logical.

In my opinion, Mr. Speaker, we must be absolutely realistic and ask ourselves whether the legalization of lotteries would be beneficial to the Canadian people and solve financial problems. Then, we should take a stand.

As for us, even if we are puzzled about the value of a state lottery, we are in favour of lotteries organized for charitable purposes.

Mr. Speaker: Is the house ready for the question on the amendment of Mr. Laprise?

[*English*]

Is it the pleasure of the house to adopt the said motion? All those in favour will please say yea.

Some hon. Members: Yea.

Division

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Before calling in the members I draw to the attention of hon. members that this motion is deferred until we have voted on previous motions numbered 3, 6, 7, 10, 11, and finally 9. Therefore, we will now call in hon. members for the purpose of voting on No. 3.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I rise briefly on a point of order. We will now be voting on the various amendments you have just identified. I wonder if Your Honour will say something in each case so that people reading *Hansard* will know what we are voting on. It might also be a good idea for hon. members to know what they are voting on.

Mr. Speaker: This is precisely the point I had in mind. I thought hon. members might be confused, and therefore before each vote is called the actual motion being voted on will be read to the house for the purpose of the division. Call in the members.

• (9:10 p.m.)

The question is on amendment No. 3 (Mr. Valade) which reads:

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting therefrom clause 7.

The house divided on amendment No. 3 (Mr. Valade) which was negatived on the following division:

YEAS

Messrs:

Alexander
Asselin
Baldwin
Bigg
Carter
Dinsdale
Dionne
Downey
Dumont
Flemming
Forrestall
Fortin
Gauthier
Godin
Grills
Gundlock
Hales
Harkness
Howe
Knowles (Norfolk-Haldimand)
Lambert (Edmonton West)
Laprise
Latulippe
MacEwan
MacInnis

Division

McCleave
McCutcheon
McGrath
McKinley
Marshall
Mazankowski
Monteith
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Paproski
Peddle
Ricard
Rodrigue
Rondeau
Rynard
Scott
Simpson
Southam
Stanfield
Stewart (Marquette)
Thompson
Valade
Woolliams—48.

NAYS

Messrs:

Allmand
Anderson
Andras
Badanai
Barrett
Basford
Béchard
Benjamin
Benson
Blair
Blouin
Boulanger
Breau
Brewin
Broadbent
Brown
Buchanan
Burton
Cadieux (Labelle)
Cafik
Cantin
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Cullen
Danson
Deachman
Deakon
Douglas (Assiniboia)
Douglas (Nanaimo-Cowichan-The Islands)
Dubé
Émard
Fairweather
Forget
Foster
Francis
Gendron
Gervais
Gibson
Gilbert
Gillespie
Givens
Gleave
Gray
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harding
Hellyer
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Knowles (Winnipeg North Centre)
Laflamme
Laing
Lang
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lewis
MacDonald (Egmont)
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Macquarrie
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Mather
Morison
Munro
Murphy
Noël
O'Connell
Orange
Orlikow
Osler
Pelletier
Penner
Pilon
Portelance
Pringle
Prud'homme
Reid
Richardson
Ritchie
Roberts
Rochon
Rock
Roy (Timmins)
Ryan
Saltsman
Schreyer
Skoberg
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
Sullivan
Thomas (Maisonneuve)
Thomson
Tolmie
Trudeau
Trudel
Turner (Ottawa-Carleton)
Wahn
Walker
Watson
Weatherhead
Whiting
Winch
Yanakis—129.

• (9:30 p.m.)

Mr. Speaker: I declare the motion lost.

Is it the wish of the house that we proceed with the subsequent amendments without the ringing of the bells?

Some hon. Members: Agreed.

Mr. Speaker: The question is on amendment No. 6 (Mr. Laprise), the text of which is printed at page 914 of *Votes and Proceedings* for Friday, April 18.

[*Translation*]

Mr. Laprise, seconded by Mr. Fortin, moved: That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting in clause 7 paragraph (b) of subsection (1) of the proposed new section 149A.

[*English*]

The house divided on amendment No. 6 (Mr. Laprise) which was negatived on the following division:

YEAS

Messrs:

Alexander
Asselin
Baldwin
Bigg
Carter
Dinsdale
Dionne
Downey
Dumont
Flemming
Forrestall
Fortin
Gauthier
Godin
Grills
Gundlock
Hales
Harkness
Howe
Knowles (Norfolk-Haldimand)
Lambert (Edmonton West)
Laprise
Latulippe
MacEwan
MacInnis
McCleave
McCutcheon
McGrath
McKinley
Marshall
Mazankowski
Monteith
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Paproski
Peddle
Ricard
Rodrigue
Rondeau
Rynard
Scott
Simpson
Southam
Stanfield
Stewart (Marquette)
Thompson
Valade
Woolliams—48.

NAYS

Messrs:

Allmand
Anderson
Andras
Badanai
Barrett
Basford
Béchard
Benjamin
Benson
Blair
Blouin
Boulanger
Breau
Brewin
Broadbent
Brown
Buchanan
Burton
Cadieux (Labelle)
Cafik
Cantin
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Cullen
Danson
Deachman
Deakon
Douglas (Assiniboia)
Douglas (Nanaimo-Cowichan-The Islands)
Dubé
Émard
Fairweather
Forget
Foster
Francis
Gendron
Gervais
Gibson
Gilbert
Gillespie
Givens
Gleave
Gray
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harding
Hellyer
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Knowles (Winnipeg North Centre)
Laflamme
Laing
Lang
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lewis
MacDonald (Egmont)
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Macquarrie
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Mather
Morison
Munro
Murphy
Noël
O'Connell
Orange
Orlikow
Osler
Pelletier
Penner
Pilon
Portelance
Pringle
Prud'homme
Reid
Richardson
Ritchie
Roberts
Rochon
Rock
Roy (Timmins)
Ryan
Saltsman
Schreyer
Skoberg
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
Sullivan
Thomas (Maisonneuve)
Thomson
Tolmie
Trudeau
Trudel
Turner (Ottawa-Carleton)
Wahn
Walker
Watson
Weatherhead
Whiting
Winch
Yanakis—129.

Division

• (9:40 p.m.)

Mr. Speaker: The question is now on amendment No. 7 (Mr. Woolliams), the text of which is printed at page 918 of *Votes and Proceedings* of Monday, April 21, as follows:

That Bill C-150, to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by inserting in clause 7, after the word "age" on line 9, page 24, the following words:

"except as to bestiality and carnal copulation with a beast".

The house divided on amendment No. 7 (Mr. Woolliams) which was negatived on the following division:

YEAS

Messrs:

Alexander
Asselin
Baldwin
Bigg
Carter
Dinsdale
Dionne
Downey
Dumont
Flemming
Forrestall
Fortin
Gauthier
Godin
Grills
Gundlock
Hales
Harkness
Howe
Knowles (Norfolk-Haldimand)
Lambert (Edmonton West)
Laprise
Latulippe
MacEwan
MacInnis
McCleave
McCutcheon
McGrath
McKinley
Marshall
Mazankowski
Monteith
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Paproski
Peddle
Ricard
Ritchie
Rodrigue
Rondeau
Rynard
Scott
Simpson
Southam
Stanfield
Stewart (Marquette)
Thompson
Valade
Woolliams—49.

NAYS

Messrs:

Allmand
Anderson
Andras
Badanai
Barrett
Basford
Béchard
Benjamin
Benson
Blair
Blouin
Boulanger
Breau
Brewin
Broadbent
Brown
Buchanan
Burton
Cadieux (Labelle)
Cafik
Cantin
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Cullen
Danson
Deachman
Deakon

Division

Douglas (Assiniboia)
Douglas (Nanaimo-Cowichan-The Islands)
Dubé
Émard
Fairweather
Forget
Foster
Francis
Gendron
Gervais
Gibson
Gilbert
Gillespie
Givens
Gleave
Gray
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harding
Hellyer
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Knowles (Winnipeg North Centre)
Laflamme
Laing
Lang
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lewis
MacDonald (Egmont)
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis
Macquarrie
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Mather
Morison
Munro
Murphy
Noël
O'Connell
Orange
Orlikow
Osler
Pelletier
Penner
Pilon
Portelance
Pringle
Prud'homme
Reid
Richardson
Roberts
Rochon
Rock
Roy (Timmins)
Ryan
Saltsman
Schreyer
Skoberg
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
Sullivan
Thomas (Maisonneuve)
Thomson
Tolmie
Trudeau
Trudel
Turner (Ottawa-Carleton)
Wahn
Walker
Watson
Weatherhead
Whiting
Winch
Yanakis—128.

• (9:50 p.m.)

Mr. Speaker: I declare the motion lost. The question is now on amendment No. 10, the recorded division on which was deferred earlier this day. The hon. member for Winnipeg North Centre (Mr. Knowles), seconded by Mr. Lewis, moved the following amendment:

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting from clause 13 thereof paragraph (a) and paragraph (b) of subsection (1) of the proposed new section 179-A of the Criminal Code.

[Mr. Speaker.]

The house divided on amendment No. 10 (Mr. Knowles, Winnipeg North Centre) which was negatived on the following division:

YEAS

Messrs:

Alexander
Baldwin
Benjamin
Brewin
Broadbent
Burton
Dinsdale
Dionne
Douglas (Nanaimo-Cowichan-The Islands)
Downey
Dumont
Fairweather
Flemming
Forrestall
Fortin
Gauthier
Gilbert
Gleave
Godin
Grills
Gundlock
Hales
Howe
Knowles (Norfolk-Haldimand)
Knowles (Winnipeg North Centre)
Laprise
Latulippe
Lewis
MacDonald (Egmont)
MacEwan
MacInnis (Mrs.)
McCleave
Mazankowski
Monteith
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Orlikow
Paproski
Peddle
Ritchie
Rodrigue
Rondeau
Rynard
Saltsman
Schreyer
Scott
Skoberg
Southam
Stanfield
Stewart (Marquette)
Thompson
Thomson
Winch
Woolliams—54.

NAYS

Messrs:

Allmand
Anderson
Andras
Asselin
Badanai
Barrett
Basford
Béchard
Benson
Bigg
Blair
Blouin
Boulanger
Breau
Brown
Buchanan
Cadieux (Labelle)
Cafik
Cantin
Carter
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Deachman
Douglas (Assiniboia)
Dubé
Émard
Forget
Foster
Francis
Gendron
Gervais
Gibson
Gillespie
Givens
Gray
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harding
Harkness
Hellyer
Honey
Hopkins
Howard (Okanagan Boundary)
Isabelle
Laflamme
Laing
Lambert (Edmonton West)
Lang
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault

Lessard (LaSalle)	Reid
Lessard (Lac-Saint-Jean)	Ricard
Macdonald (Rosedale)	Richardson
MacEachen	Roberts
MacGuigan	Rochon
Macquarrie	Rock
McCutcheon	Roy (Timmins)
McGrath	Ryan
McKinley	Simpson
McNulty	Smith (Saint-Jean)
Mahoney	Stafford
Major	Stanbury
Marceau	Stewart (Cochrane)
Marchand (Langelier)	Stewart (Okanagan-Kootenay)
Marchand (Kamloops-Cariboo)	Sullivan
Marshall	Thomas (Maisonneuve)
Mather	Thompson
Morison	Tolmie
Munro	Trudeau
Murphy	Trudel
Noël	Turner (Ottawa-Carleton)
O'Connell	Valade
Orange	Wahn
Pelletier	Walker
Penner	Watson
Pilon	Weatherhead
Portelance	Whiting
Pringle	Yanakis—118.
Prud'homme	

• (10:00 p.m.)

And the Clerk proceeding to announce the result of the vote:

An hon. Member: Get out.

Another hon. Member. You cannot come in.

Mr. Speaker: Order, please. I must bring to the attention of hon. members that they should neither leave the house nor come into the house during a vote.

I declare the motion lost. There is no difficulty about members coming in between the calling of the vote.

Mr. Monteith: We had better have the bell.

Mr. Speaker: The hon. member for Perth is asking that the bell be rung. Do hon. members want the bell?

Some hon. Members: No.

Mr. Speaker: Before calling in the members, I will put the motion.

[*Translation*]

The question is on amendment No. 11, which was deferred earlier today.

Mr. Laprise moved, seconded by Mr. Latulippe:

That Bill C-150, An Act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting in clause 13 the words "either alone or in conjunction with the government of another province," on lines 41 and 42 on page 31 and by deleting in clause 13 the words "in that province, or in that and such other province," on lines 44 and 45 on page 31.

[*English*]

Mr. Speaker: All those in favour of the said motion will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

The house divided on amendment No. 11 (Mr. Laprise) which has negatived on the following division:

YEAS

Messrs:

Brewin	Laprise
Burton	Latulippe
Dinsdale	MacDonald (Egmont)
Dionne	Matte
Dumont	Rodrigue
Flemming	Rondeau
Fortin	Rynard
Gauthier	Southam
Godin	Thompson—18.

NAYS

Messrs:

Alexander	Clermont
Alkenbrack	Cobbe
Allmand	Comtois
Anderson	Corbin
Andras	Côté (Richelieu)
Asselin	Cullen
Badanai	Danson
Baldwin	Deachman
Barrett	Deakon
Basford	Douglas (Assiniboia)
Béchard	Douglas (Nanaimo-Cowichan-The Islands)
Benjamin	Dubé
Benson	Émard
Bigg	Forget
Blair	Forrestall
Blouin	Foster
Boulanger	Francis
Breau	Gendron
Broadbent	Gervais
Brown	Gibson
Buchanan	Gilbert
Cadieux (Labelle)	Gillespie
Cafik	Givens
Cantin	Gleave
Carter	Gray
Chappell	Grills
Chrétien	

Division

Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Gundlock
Haidasz
Hales
Harding
Harkness
Hellyer
Honey
Hopkins
Howard (Okanagan Boundary)
Howe
Hymmen
Isabelle
Knowles (Norfolk-Haldimand)
Knowles (Winnipeg North Centre)
Laflamme
Laing
Lambert (Edmonton West)
Lang
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lewis
Macdonald (Rosedale)
MacEachen
MacEwan
MacGuigan
MacInnis (Mrs.)
Macquarrie
McCleave
McCutcheon
McGrath
McKinley
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Marshall
Mather
Mazankowski
Monteith
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Munro
Murphy
Noël
O'Connell
Orange
Orlikow
Osler
Paproski
Peddle
Pelletier
Penner
Pilon
Portelance
Pringle
Prud'homme
Reid
Ricard
Richardson
Ritchie
Roberts
Rochon
Rock
Roy (Timmins)
Ryan
Saltsman
Schreyer
Scott
Simpson
Skoberg
Smith (Saint-Jean)
Stafford
Stanbury
Stanfield
Stewart (Cochrane)
Stewart (Marquette)
Stewart (Okanagan-Kootenay)
Sullivan
Thomas (Maisonneuve)
Thomson
Tolmie
Trudeau
Trudel
Turner (Ottawa-Carleton)
Valade
Wahn
Walker
Watson
Weatherhead
Whiting
Winch
Woolliams
Yanakis—157.

Mr. Speaker: I declare the motion lost. The question is now on amendment No. 9, the recorded division on which was deferred earlier this day.

[*Translation*]

Mr. Laprise moved, seconded by **Mr. Gauthier:**

That Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, be amended by deleting therefrom clauses 12 and 13.

[Mr. Speaker.]

[*English*]

The house divided on amendment No. 9 (Mr. Laprise) which was negatived on the following division:

YEAS

Messrs:

Dinsdale
Dionne
Dumont
Flemming
Fortin
Gauthier
Godin
Laprise
Latulippe
MacDonald (Egmont)
Matte
Rodrigue
Rondeau
Southam
Thompson—15.

NAYS

Messrs:

Alexander
Alkenbrack
Allmand
Anderson
Andras
Asselin
Badanai
Baldwin
Barrett
Basford
Béchard
Benjamin
Benson
Bigg
Blair
Blouin
Boulanger
Breau
Brewin
Broadbent
Brown
Buchanan
Burton
Cadieux
Cafik
Cantin
Carter
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Cullen
Danson
Deachman
Deakon
Douglas (Assiniboia)
Douglas (Nanaimo-Cowichan-The Islands)
Dubé
Émard
Forget
Forrestall
Foster
Francis
Gendron
Gervais
Gibson
Gilbert
Gillespie
Givens
Gleave
Gray
Grills
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Gundlock
Haidasz
Hales
Harding
Harkness
Hellyer
Honey
Hopkins
Howard (Okanagan Boundary)
Howe
Hymmen
Isabelle
Knowles (Norfolk-Haldimand)
Knowles (Winnipeg North Centre)
Laflamme
Laing
Lambert (Edmonton West)
Lang
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lewis
Macdonald (Rosedale)
MacEachen
MacEwan
MacGuigan
MacInnis (Mrs.)
Macquarrie
McCleave
McCutcheon

McGrath
McKinley
McNulty
Mahoney
Major
Marceau
Marchand (Kamloops-Cariboo)
Marchand (Langelier)
Marshall
Mather
Mazankowski
Monteith
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Munro
Murphy
Noël
O'Connell
Orange
Orlikow
Osler
Paproski
Peddle
Pelletier
Penner
Pilon
Portelance
Pringle
Prud'homme
Reid
Ricard
Richardson
Ritchie
Roberts
Rochon
Rock
Roy (Timmins)
Ryan
Rynard
Saltsman
Schreyer
Scott
Simpson
Skoberg
Smith (Saint-Jean)
Stafford
Stanbury
Stanfield
Stewart (Cochrane)
Stewart (Marquette)
Stewart (Okanagan-Kootenay)
Sullivan
Thomas (Maisonneuve)
Thomson
Tolmie
Trudeau
Trudel
Turner (Ottawa-Carleton)
Valade
Wahn
Walker
Watson
Weatherhead
Whiting
Winch
Woolliams
Yanakis—160.

Mr. Speaker: I declare the motion lost.

Division

Mr. Baldwin: On a point of order, Mr. Speaker, I wonder whether at this time the government house leader would indicate when we will resume this debate. Secondly, there might be some disposition in the house not to proceed with the adjournment proceedings tonight. Thirdly, Your Honour might consider advising the Montreal forum that the score at the end of the game in the House of Commons tonight was: Lions, 6; Christians, no score.

Mr. Macdonald (Rosedale): We will resume this debate on Friday after the two-day debate on NATO. Perhaps the two hon. members on the "late show" tonight might be agreeable to suspending their questions until Thursday night.

Mr. McGrath: Mr. Speaker, I wonder whether the house leader would permit a question. Would the government consider, in view of the events of the last hour, bringing an electronic voting system into this House of Commons?

Some hon. Members: Hear, hear.

Mr. Speaker: It being after ten o'clock this house stands adjourned until two o'clock tomorrow afternoon.

It being ten minutes before 11 o'clock p.m. the house adjourned, without question put, pursuant to standing order.

29180—496½

HOUSE OF COMMONS

Wednesday, April 23, 1969

The house met at 2 p.m.

ROUTINE PROCEEDINGS

[*Translation*]

COMMITTEES OF THE HOUSE

Seventh report of Standing Committee on Miscellaneous Estimates, in English and in French—Mr. Fernand-E. Leblanc (Laurier).

Fourth report of Standing Committee on Privileges and Elections—Mr. Ovide Laflamme (Montmorency).

[*Editor's Note: The text of the foregoing reports appears in today's Votes and Proceedings.*]

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

STANBURY-FIELD INDIAN TAXATION REPORT

Question No. 1,277—**Mr. Simpson:**

1. Who participated in the preparation of the Stanbury-Field Report on the taxation of Indians in British Columbia?

2. How much was paid in salary and expenses to each of these persons?

3. What terms of reference were given to those preparing the report?

4. When the investigation was initiated, was it the intention of the Department of Indian Affairs and Northern Development to release the Report and, if not, for what reason?

5. When was the Report submitted to the Department?

6. Do portions of the Report contain confidential information on individuals?

7. Is it the intention of the government to table the report without any such confidential details included?

8. Is it the intention of the government to initiate similar analyses of taxes paid by Indians of other provinces to their provincial governments?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Professor D. B. Fields, Faculty of Commerce and Business Administration, University of British Columbia; Mr. W. T. Stanbury, Department of Economics, University of British Columbia; D. P. Squarey and Associates, Vancouver, B.C.

2. Contract for study was between Department of Indian Affairs and Northern Development and Professor D. B. Fields in the amount of $20,365 including all salaries and expenses of those associated with the study.

3. The terms of reference for the report were as follows:

"The project shall consist of a study and quantitative assessment of the financial significance of the special status of Indians as taxpayers in the province of British Columbia and without limiting its scope in any way shall include a general analysis of present and potential taxes levied on Indians, the nature and cost of services rendered to Indians at present and future trends, the growing significance of taxes paid by non-Indian lease-holders of Indian lands, the tax implications of an increase in business activities on Indian reserves, and significant changes in income and spending patterns of Indians including their potential to pay income tax if they were subject thereto."

4. No prior decision was made respecting release of the report.

5. September 21, 1968.

6. Yes.

7. It is not the intention of the Department to table the report.

8. No decision has been made.

CAPE BRETON, N.S., MINES SUBSIDIES

Question No. 1,322—**Mr. Lambert (Bellechasse):**

1. What was the total amount spent by the Government of Canada during the years 1967 and 1968 in subsidies to mines in Cape Breton, Nova Scotia?

2. What was the total number of tons subsidized, and at what price per ton?

3. At what price is the coal from such mines sold by the company?

4. What is the cost of production per ton?

5. How many workers are employed by the coal industry in Cape Breton?

6. What is the hourly salary of the miners?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Energy, Mines

and Resources, the Dominion Bureau of Statistics, and the Department of Labour as follows: 1. $25,501,319.22 for fiscal year 1967-68; nil since April 1968 except for certain holdback and adjustment amounts owing on coal shipped prior to April 1, 1968. No breakdown of these further payments is available until final accounting and auditing are completed.

2. 2,865,693.89 tons in fiscal year 1967-68 at an average subvention cost of $8.90 per ton.

3. Actual selling prices are matters between vendors and purchasers. Except where there have been public announcements of the terms of individual contracts, available information regarding such prices has been confidentially received, is not amenable to averaging and cannot be disclosed without contravention of Section 15 of the Statistics Act.

It can, however, be stated that 1967-68 price ranges for various kinds, sizes and qualities of Cape Breton coal, f.o.b. mines, as reported by the mining companies, ran from a low of $7.00 per ton for certain types to a high of $18.15 for others. The average value of the coal, f.o.b. mines, although not a selling price, can also be given. As compiled by the Dominion Bureau of Statistics from reports required of the producers, this was $14.05 per ton in 1967.

4. The latest available information for all Nova Scotia coal mines is the annual survey of the Dominion Coal Board for 1967. This report indicates that the average total cost per ton for the production and distribution of Nova Scotia coal in 1967 was $13.98.

5. During the year 1967, the average number of employees in the coal mining industry in Cape Breton, N.S., was 4,920.

6. As of October 1, 1968, the average hourly rate of pay in Cape Breton coal mines for miners on an incentive or production basis was $2.63 per hour for an eight-hour day.

NEWFOUNDLAND—ADVANCES TO C.M.H.C.

Question No. 1,411—**Mr. Marshall:**

Under the section on Loans, Investments, and Advances in the Estimates for 1969/1970, L175, how much money is allocated the Province of Newfoundland in (a) advances to CMHC in respect of housing and land development projects undertaken jointly with the governments of the provinces (b) advances to CMHC in respect of loans to municipalities for the construction or expansion of sewage treatment projects (c) advances to CMHC in respect of loans made to assist in the implementation of an urban renewal scheme?

[Mr. Forest.]

Hon. Paul Hellyer (Minister of Transport): Vote L175 of the Corporation's Estimates for 1969/1970 includes the following estimated requirements to meet outstanding commitments for the Province of Newfoundland: (a) $2,000,000; (b) $100,000; (c) $500,000.

PROGRAM IN TEACHING ENGLISH TO ESKIMOS

Question No. 1,448—**Mr. Orlikow:**

1. What program, if any, has been devised to assist teachers who have the task of teaching Eskimo children English?

2. Do they attend special in-service training courses before beginning teaching English?

3. If so, for how long and who conducts the courses?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. In 1968, all Northwest Territories and Arctic Quebec schools concerned were supplied from Ottawa with the NEW Let's Begin English Kit prepared by Curriculum Section specialists. This included seven reference books for teachers, records, filmstrip, charts, objects and other material. At the same time, each regional library was supplied with a recommended set of professional references on second language instruction. A 16mm film series prepared by the Centre for Applied Linguistics, Washington, D.C., was obtained and used in teacher education services. Commercially prepared remedial and developmental materials and equipment were also purchased and sent to selected schools for use and appraisal.

In 1968, manuscripts for 16 northern-oriented developmental readers were prepared for non-graded use at the primary level. Text was articulated with the prerequisite oral English program described above. These readers are now being illustrated and printed with a target date of October 1, 1969. Related materials for reading readiness, spelling, and handwriting were also prepared. These materials were added to previous listings of supplementary reading books and guidebooks for teachers.

In 1968, the first draft of a northern preschool program was also prepared—a program intended to involve an informal transition from vernacular languages to English as a second language. Related to this, a revised approach to the duties and training of bilingual classroom aides was prepared.

2 and 3. Second language teaching is one of the components of the Orientation Course given to all teachers before they commence teaching in the North.

Most materials used in second language instruction were developed at summer workshops attended by northern teachers. Until 1967, summer courses involving curriculum specialists and experienced teachers as staff were conducted by the Education Division. Teacher consultants who are experienced in second language teaching visit new teachers in their classrooms and assist in teacher workshops during the school year.

Reliance is now placed on the availability of one common basic program for introducing English as a second language in northern schools. Reliance is also placed on the increased number of university and Department of Education summer courses in second language teaching. These courses are normally of five to six weeks duration.

C.M.H.C. INDEBTEDNESS ON HOUSING

Quetsion No. 1,459—**Mr. Caouette:**

1. What amount does Central Mortgage and Housing Corporation owe to the government with regard to the various Acts on housing?

2. What interest rate does Central Mortgage and Housing Corporation pay to the government for these loans?

Hon. Paul Hellyer (Minister of Transport): 1. $3,846,319,427.00 at December 31, 1968.

2. Interest rates at which the Corporation borrows from the government are established quarterly by the Minister of Finance. The interest rates, therefore, on its debt structure are very numerous and vary from 2 per cent to 7½ per cent, depending on when the loan was made and the term of the loan. For the quarter ending December 31, 1968, the rates were: 10-15 years, 6-11/16 per cent; 15-20 years, 6¾ per cent; 20 years or more, 6-11/16 per cent.

PUBLIC SERVANTS LANGUAGE TRAINING

Question No. 1,465—**Mr. Dinsdale:**

1. How many public servants have successfully completed language training at public expense?

2. How many who were enrolled failed to complete the course?

3. What is the estimated total cost of salaries, for those attending this course for the time spent away from their employment, since the course was started?

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: 1. The second-language training provided by the Public Service Commission is conducted at four levels. Level I is designed to provide minimum oral skills while level IV is expected to give students working proficiency in all four skill areas (reading, writing, speaking and oral comprehension).

Employees attend courses at succeeding levels until the skills needed by the duties of their positions have been acquired.

In the period from January 1964 to August 1968, the numbers of public servants who completed training courses were: Level IV, 703; level III, 1,409; level II, 2,267; level I, 6,224.

2. During the same period 1,176 public servants withdrew from training courses before completing the particular course in which they were enrolled. Many of these withdrew for reasons related to their duties or health; others withdrew because they had reached the level of proficiency required for their respective positions.

3. The Public Service Commission does not maintain records of the salaries of language students. However, on the basis of a significant sample, the Commission estimates that the average earnings of trainees is about $1,100. On this basis, total earnings of those engaged as trainees over the four and a half year period approximates $12 million. However, trainees are not usually replaced while attending language courses and in that case there is no additional salary cost attributable to language training. In addition, each student on language training contributes about one hour of his own time for every two working hours he spends in language training.

WHEAT ACREAGE AND QUOTAS

Question No. 1,660—**Mr. Southam:**

Is it the intention of the government to (a) adopt the proposal of the federal Agricultural Task Force to cut back the Prairie wheat acreage by 33% by 1980 (b) if the government adopts this policy does it mean progressively tighter wheat quotas each year in order to bring about this objective (c) what proposal has the government to utilize the acreage and maintain farm income if the 10 million acres are taken out of the present 30 million acres planted to wheat?

Hon. H. A. Olson (Minister of Agriculture): No proposal to cut back prairie wheat acreage has been made to the government by the Agricultural Task Force. The proposal referred to in this question is contained in an interim position paper on the Task Force's studies on grains to date which has been prepared for use as a position paper for discussion at the Canadian Agricultural Congress to provide the Task Force with the views on

grain production of all segments of the agricultural industry in Canada.

USE OF SOVIET ICE-BREAKERS

Question No. 1,663—**Mr. Fortin:**

Has the Soviet Government offered the services of its ice-breakers to open the St. Lawrence River for winter navigation and, if so, what was the government's response?

Hon. Paul Hellyer (Minister of Transport): The Soviet Government has never offered the services of its icebreakers to open the St. Lawrence River for winter navigation.

CONSULTATION CONFERENCE WITH INDIAN PEOPLE

Question No. 1,681—**Mr. Howard (Skeena):**

1. What is the name and address of each person who asked that the proposed consultation conference with Indian people to have been held in Ottawa, March 6 to 14, be postponed?

2. By what means of communication did each such person so indicate that desire for postponement?

3. What, in detail, was the nature of each such request?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. (a) Mr. Harold Cardinal, President of the Indian Association of Alberta. (b) Mr. Walter Dieter, President, National Indian Brotherhood.

2. Mr. Cardinal's request was by letter dated February 14, 1969, and Mr. Dieter's request was during discussions with the Minister of Indian Affairs in late February.

3. The nature of the communications were an expression of concern that insufficient time was available for the associations to study the position of the other provinces as outlined in their reports.

INCOME TAX EVASION PROSECUTIONS

Question No. 1,753—**Mr. Paproski:**

1. By province, how many prosecutions of individuals for non-payment of income tax were ordered by the federal government in each of the following years: 1968, 1967, 1966, 1965, 1964, 1963?

2. In each of the same years, by province, how many cases of non-payment or evasion of income tax payment were reported?

Hon. Jean-Pierre Côté (Minister of National Revenue): 1. Number of cases in which prosecutions for attempted evasion or non-payment of income tax were instituted:

Fiscal Year	1962-3	1963-4	1964-5	1965-6	1966-7	1967-8
Newfoundland	—	—	—	—	—	—
Prince Edward Island	—	—	1	—	—	—
Nova Scotia	—	—	—	—	1	—
New Brunswick	—	1	—	—	—	—
Quebec	7	10	21	4	3	8
Ontario	4	3	3	8	8	6
Manitoba	1	—	1	1	—	2
Saskatchewan	—	1	2	—	3	2
Alberta	1	3	2	1	1	3
British Columbia	4	3	1	—	—	2
Yukon	—	—	—	—	—	—
Total	17	21	31	14	16	23

2. Number of cases of attempted evasion or non-payment of income tax investigated:

Fiscal Year	1962-3	1963-4	1964-5	1965-6	1966-7	1967-8
Newfoundland	26	7	6	9	8	4
Prince Edward Island	1	1	2	2	3	1
Nova Scotia	8	9	4	6	5	6
NewBrunswick	3	6	5	2	4	5
Quebec	86	76	121	73	72	74
Ontario	150	174	166	170	121	107
Manitoba	15	11	12	13	9	7
Saskatchewan	24	58	52	26	24	20
Alberta	53	38	33	25	35	30
British Columbia	24	58	27	34	29	33
Yukon	1	2	3	1	—	2
Total	391	440	431	361	310	289

ASSISTANCE TO INDUSTRIES IN MANICOUAGAN

Question No. 1,783—**Mr. Blouin:**

1. Has the federal government helped some industries located in the Constituency of Manicouagan under the Act concerning designated areas since the 1st of May, 1967, and if so (a) what are these industries (b) what amount did each of them receive (c) where in the constituency are they located?

2. If not, did any industries request assistance, either for expansion or improvement?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. 8 applications have been received and five of these have been approved. (a) Three companies have announced their intentions to proceed, and these are: Canadian British Aluminum Co. Limited; La Société Populaire des Pâtes et Papiers du Québec Inc.; Quebec North Shore Paper Co. (b) Payments of grants commence when facilities reach commercial production; (c) Canadian British Aluminum Co. Ltd., Baie Comeau; La Société Populaire des Pâtes et Papiers du Québec Inc., Sacré-Coeur; Quebec North Shore Paper Co., Baie Comeau.

2. Not applicable.

TONNAGE HANDLED IN CANADIAN PORTS

Question No. 1,790—**Mr. Blouin:**

How many tons of merchandise were handled during the year 1968 in the following ports: Montreal, Vancouver, Halifax, Saint John, Quebec, Rimouski, Baie-Comeau, Port-Cartier, Sept-Iles (including Pointe-Claire)?

Hon. Paul Hellyer (Minister of Transport): Insofar as the Department of Transport is concerned, Cargo tonnage handled during the calendar year 1968 is as follows:

Harbour	Tons
Rimouski	533,663
Baie-Comeau	4,511,272
Port-Cartier	12,467,727
Sept-Iles (including Pointe-Noire)	26,012,690

Insofar as the National Harbours Board is concerned, total cargo tonnage handled during the calendar year 1968 at National Harbours is as follows:

Harbour	Tons
Montreal	20,895,922
Vancouver	24,490,320
Halifax	10,079,884
Saint John	5,865,240
Quebec	6,833,056

29180—497

DEPARTMENTAL SUBSIDIES AND SUPPORT PROGRAMS

Question No. 1,817—**Mr. Robinson:**

1. Does the Department of Energy, Mines and Resources provide subsidies and/or support programs for any segment of the economy, groups or individuals inside Canada and, if so, to what extent, in what amounts and to whom are the amounts paid?

2. What amounts have been paid for subsidies and/or support programs during each of the years 1960-68 inclusive?

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): 1. and 2. Yes.

Assistance to gold mine operators: 1959-60, $13,129,447; 1960-61, $12,116,281; 1961-62; $12,413,248; 1962-63, $15,155,854; 1963-64, $14,967,203; 1964-65, $15,666,822; 1965-66, $14,757,573; 1966-67, $14,959,891; 1967-68, $15,199,765.

Roads to resources program—costs shared with provinces: 1959-60, $8,999,996; 1960-61, $12,000,000; 1961-62, $12,000,000; 1962-63, $10,365,803; 1963-64, $8,132,492; 1964-65, $6,062,027; 1965-66, $7,265,000; 1966-67, $4,527,500; 1967-68, $2,732,466.

Grants to universities in aid of research: 1959-60, $50,000; 1960-61, $49,550; 1961-62, $75,000; 1962-63, $85,000; 1963-64, $110,000; 1964-65, $144,600; 1965-66, $236,263; 1966-67, $322,297; 1967-68, $557,117.

Dominion provincial aeromagnetic surveys —costs shared with provinces: 1959-60, Nil; 1960-61, Nil; 1961-62, $512,099; 1962-63, $910,189; 1963-64, $557,796; 1964-65, $511,673; 1965-66, $206,123; 1966-67, $317,687; 1967-68, $484,698.

Canada's share of the expenses of the Saskatchewan-Nelson Basin Board—costs shared with Prairie Provinces: 1966-67, Nil; 1967-68, $2,816.

Canada's share of the expenses of the Atlantic Tidal Programming Board—costs shared with New Brunswick and Nova Scotia: 1966-67, $15,602; 1967-68, $695,908.

Canada's share of the cost of Water Resources Inventories under joint Federal-Provincial Agreements: Any expenditure relative to this question could not be separately identified during the period under question.

Canada's share of the cost of Regional Water Resources Planning Investigations under Federal-Provincial Agreements: Any expenditure relative to this question could not be separately identified during the period under question.

Contributions to the provinces towards the construction of dams and other works to assist in the conservation and control of water

resources in accordance with agreements entered into between Canada and the provinces: 1959-60, Nil; 1960-61, Nil; 1961-62, $156,011; 1962-63, $3,097,376; 1963-64, $7,600,015; 1964-65, $8,949,500; 1965-66, $9,353,659; 1966-67, $9,220,926; 1967-68, $6,875,777.

Provincial and territorial boundary surveys —costs shared with provinces: 1959-60, $48,800; 1960-61, $30,500; 1961-62, $19,785; 1962-63, $7,081; 1963-64, $250; 1964-65, $14,077; 1965-66, $14,510; 1966-67, $8,808; 1967-68, $9,318.

MR. ROYCE FRITH

Question No. 1,821—**Mr. Orlikow:**

1. What sums of money has Mr. Royce Frith received from the Government of Canada in each year since April, 1963, in the form of (a) per diem allowances (b) expenses and (c) fees for services either to him or to his law firm?

2. Has Mr. Frith ever held any licenses for any activity covered by the federal government either through a regulatory or licensing authority and, if so, what licenses, when were they issued and when were they surrendered or transferred?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Office of the Prime Minister and the Secretary of State as follows: 1. Royal Commission on Bilingualism and Biculturalism

Year	(a) Honoraria at $100 per diem $	(b) Expenses, per diem and travel $
1963-64	3,550.00	902.70
1964-65	11,600.00	3,221.57
1965-66	12,200.00	3,558.75
1966-67	14,600.00	4,043.84
1967-68	19,450.00	5,771.88
1968-69 (to March 20)	17,300.00	4,670.50
	$78,700.00	$22,169.24

(c) Neither Mr. Frith nor his law firm received any fees for services from the Commission.

Canadian Film Development Corporation: As a member of the Canadian Film Development Corporation, Mr. Frith has received, since May 28, 1968: (a) and (b) $430.50 for travel expenses including per diem allowances; (c) $1,000 for attending meetings of the Corporation.

2. Canadian Radio-Television Commission: A licence was issued March 6, 1964 for Radio Station CKWW, Windsor to Radio Windsor Canadian Limited of which Mr. Royce Frith was 100 per cent owner.

In a public announcement dated September 18, 1964, the Board of Broadcast Governors recommended for approval transfer of 90 per cent of the shares of Radio Windsor Canadian Limited from Mr. Royce Frith to WWKC Holdings Limited. Mr. Frith retained 10 per cent of the shares. The Department of Transport approved this transfer on October 21, 1964.

Mr. Royce Frith is the holder of 20 per cent of the shares of a cable television (CATV) company, Clear Colour Cable Service Limited, which received a licence from the Department of Transport, April 12, 1967 for operation in the Metro Toronto area. Clear Colour Cable Service Limited has made application for a license from Canadian Radio-Television Commission under Section 63 of the Broadcasting Act.

AIR CANADA MEALS

Question No. 1,826—**Mr. Thomson:**

Would the government consider a relative study of Air Canada with a view to the upgrading of the meals?

Hon. Paul Hellyer (Minister of Transport): No study of the meals provided by Air Canada is planned by the government since the policy, standards and costs of such is an internal management function of the Company.

AGENCIES MARKETING WHEAT CROP

Question No. 1,841—**Mr. Paproski:**

Through what agencies, persons or companies did the Canadian Wheat Board contract the marketing of the 1968 wheat crop and where are such agencies located?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Canadian Wheat Board has not contracted for the marketing of the 1968 crop. As required by the Canadian Wheat Board Act, the Board is responsible for the sale of grain acquired by it pursuant to its operations under the Act. In the acquisition and handling of the grain, the Board makes use of the facilities of the elevator companies. Similarly in the forwarding and exporting of the grain, and in the development of sales in many commercial markets, the Board makes use of the facilities of various grain companies who are engaged in the shipping and exporting of grain.

PHILLIP'S SECURITY SERVICE

Question No. 1,875—**Mr. Macquarrie:**

1. From January 1, by day, how many man-hours of security service from the Phillip's Security Service has the Post Office used in connection with deliveries made by employees of Rod Service Limited and how much by day, did this service cost?

2. Has the Post Office purchased security services from other firms or organizations in connection with deliveries made by employees of Rod Service Limited and, if so, at what cost?

Hon. Eric W. Kierans (Minister of Communications): In so far as the Post Office Department is concerned: 1. Phillip's Security Service was employed as follows:

Date	Hours	Cost
March 5	255.5	$ 766.50
March 6	385	1,155.00
March 7	236.5	709.50
March 8	23	69.00
March 10	388	1,164.00
March 11	456	1,368.00
March 12	360.25	1,080.75
March 14	484	1,452.00
March 17	230	690.00
March 18	386	1,158.00
March 19	439	1,317.00
March 20	468	1,404.00
March 21	480	1,440.00
March 24	100	300.00
March 25	189.5	568.50
	4,880.75	$14,642.25

Note: No service was provided by Phillip's Security Service prior to March 5.

2. No.

COST STUDY OF SATELLITE COMMUNICATIONS

Question No. 1,881—**Mr. Schreyer:**

1. Has the Post Office Department undertaken a cost-benefit study related to the proposed satellite communication system and, if so, what was the cost-benefit ratio and what specific alternatives were evaluated?

2. Did the Treasury Board request a cost-benefit study from the Department regarding the proposed satellite communication system and, if not, why were other alternatives under the PPBS system utilized for the evaluation of the satellite system?

Hon. Eric W. Kierans (Minister of Communications): In so far as the Communications Department is concerned: 1. A number of cost benefit studies of various configurations of domestic communications satellite systems were undertaken prior to the publication by the government of the White Paper on a Domestic Satellite Communications System for Canada. Alternatives evaluated included various satellite configurations and terrestrial alternatives. The results were most favourable for a 3 to 6 transponder satellite.

2. No, because a cost-benefit study had been carried out as explained in the answer to Part 1 of this question.

STEAM HEATING OF LOCK MACHINERY

Question No. 1,887—**Mr. McCleave:**

1. Is the St. Lawrence Seaway Authority using steam heating of lock machinery and ice diversion channels to provide a longer shipping season?

2. If so, what are the costs involved and are these paid for by special charges on vessels taking advantage of same?

Hon. Paul Hellyer (Minister of Transport): The St. Lawrence Seaway Authority advises as follows: 1. The St. Lawrence Seaway Authority uses heating devices and ice diversion channels to provide better control of icing conditions in the Canal between the Cote Ste. Catherine and St. Lambert Locks during the close of the official navigation season, which now extends to December 10th. In years when icing occurs late in the season, this has the effect of lengthening what would otherwise be a shorter than normal season.

2. No. Since the costs involved are related to the normal navigation season, they are paid by the vessels which use the system during the entire season.

QUEBEC GOVERNMENT SUBMISSIONS ON STE SCHOLASTIQUE AIRPORT SITE

Question No. 1,893—**Mr. Godin:**

When Ste Scholastique was being studied as the future site for the new Montreal International Airport, did any departments of the Government of Quebec express opinions and, if so, which ones?

Hon. Paul Hellyer (Minister of Transport): Discussions with the Province of Quebec were held on a continuing basis over the period from August 1968 almost up to the moment of the site announcement. Ste Scholastique was one of the 4-5 sites that were discussed extensively out of the original 20 possibilities.

The Government of Quebec expressed opinions on all of these sites and certainly on Ste Scholastique. These opinions were formerly presented by the Honourable Dr. R. Lussier, the Minister of Municipal Affairs of the Province of Quebec who was the representative of the Government of Quebec in these discussions. We are aware that he

received opinions from other Quebec Departments including the following: Ministère de la Voirie; Ministère des Affaires intergouvernementales; Ministère de l'Industrie.

MOTORCAR RECALLS

Question No. 1,898—**Mr. Robinson:**

1. How many motor vehicles have been recalled by (a) General Motors (b) Chrysler Corporation (c) American Motors (d) other companies, during each of the years 1960-69 inclusive?

2. Were any of the recalls of motor vehicles due to faulty workmanship?

3. Has the government investigated any of the reasons for recall?

4. Is the government proposing to set adequate automobile standards and inspection services for the automobile industry?

Hon. Paul Hellyer (Minister of Transport): 1. No information is available on the number of motor vehicles recalled during the years 1960-61. During the five years 1962-1966 the total number of motor vehicles recalled in Canada was 780,609. A complete breakdown of this number by Company and year is not available.

From January 1, 1967 to April 11, 1969, the number of motor vehicles recalled was as follows:

	Number of Vehicles		
Company	1967	1968	1-1-69 to 11-4-69
American Motors	3,227	Nil	Nil
Chrysler	23,210	318	246
Ford	22,298	6,514	1,166
General Motors	195,651	49,773	554,184
Kaiser-Jeep	Nil	Nil	191
Rolls-Royce			97

The figure of 554,184 for General Motors includes motor vehicles sold from 1965 to date.

2. It is not possible to classify defects by workmanship as distinct, for instance, from design, assembly and wear in use.

3. The federal government has obtained from the manufacturers complete and satisfactory explanations of the reasons for each of the recalls since January 1, 1967.

4. As announced in the House of Commons recently, the federal government is presently considering legislation for mandatory safety standards for motor vehicles and parts manufactured in or imported into Canada. The need for inspection services to ensure compliance with mandatory standards is also being studied.

[Mr. Hellyer.]

J. F. PARKINSON OF C.M.H.C.

Question No. 1,905—**Mr. Skoberg:**

1. Is J. F. Parkinson a Director of Central Mortgage and Housing Corporation and, if so, when was he elected as a Director and what is his remuneration?

2. What criteria was used in his selection as Director of the Corporation?

Hon. Paul Hellyer (Minister of Transport): 1. Yes. Mr. Parkinson was appointed May 20, 1954. He receives no additional salary or fee for his services as a director.

2. Mr. Parkinson is Economic Adviser to the Deputy Minister of Finance and is one of three directors to be appointed from within the public service of Canada by the Governor in Council pursuant to The Central Mortgage and Housing Corporation Act.

FRASER VALLEY DYKING ASSISTANCE

Question No. 1,909—**Mr. Rose:**

1. Which Fraser Valley municipalities have applied for dyking assistance under the Federal-Provincial Fraser River Flood Control Program signed in December, 1968?

2. What Fraser flood crest are the present Fraser Valley dykes capable of withstanding?

3. In which areas of the Fraser Valley are the dykes considered to be less than adequate to withstand a greater than normal spring freshet?

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): 1. Applications have been received by the Province of British Columbia from 13 municipalities and dyking districts for assistance under the Fraser River Flood Control Program covered by the federal-provincial agreement signed on May 24, 1968. The Province is forwarding to the Fraser River Joint Program Committee for its consideration the applications made by the Municipalities of Kent, Pitt Meadows and Richmond. The remaining 10 applications are being reviewed by the Province prior to their transmittal to the Program Committee.

2. The present Fraser Valley dykes were constructed after the 1948 flood to withstand a river elevation of 26 feet at Mission City, which elevation is equivalent to the flood of record. The present dykes withstood peak elevations of 23 feet at Mission City in 1964 and again in 1967; however, in both years emergency dyke repairs were required at a number of locations. Although the present dykes are not in completely uniform condition, it is presumed that they would be capable of again withstanding a peak elevation of about 23 feet at Mission City.

3. The mean annual peak high water elevation at Mission City is about 19.5 feet, which would represent the normal spring freshet on the Fraser River. All of the present Fraser Valley dykes have withstood spring freshets with peak elevations higher than 19.5 feet on a number of occasions.

GRANTING OF CENTENNIAL MEDALS

Question No. 1,935—**Mr. Robinson:**

For what reason did the government grant Centennial Medals to Non-Commissioned Officers and not to officers and men in the following regiments: (a) 1st Battalion, the Nova Scotia Highlanders (North)—19 medals (b) the West Nova Scotia Regiment—16 medals (c) the 1st Battalion, the Royal New Brunswick Regiment—14 medals (d) the Royal Newfoundland Regiment—21 medals (e) the Canadian Grenadier Guards—11 medals (f) the 4th Battalion, Royal 22nd Regiment—15 medals (g) Les Fusiliers du St. Laurent—21 medals (h) Le Regiment de la Chaudiere—15 medals (i) the Quebec Service Battalion—15 medals (j) the 49th Field Artillery Regiment (RCA)—11 medals (k) the Toronto Signal Regiment—8 medals (l) the 1st Toronto Service Battalion—10 medals (m) the 2nd Toronto Service Battalion—13 medals (n) the Hamilton Service Battalion—12 medals (o) the Highland Fusiliers of Canada—10 medals (p) the 3rd Battalion, the Royal Canadian Regiment—9 medals (q) the 2nd Battalion, the North Saskatchewan Regiment—8 medals (r) Regina Rifle Regiment—10 medals (s) the Calgary Highlanders—8 medals (t) the 15th Field Artillery Regiment (RCA)—11 medals (u) the Royal Westminster Regiment—11 medals?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): See reply to your question 737, *Hansard* dated 25 November 1968, pages 3125-26 and supplementary reply tabled 15 january 1969, (*Votes and Proceedings* page 590 refers); also reply to your question 1,854, *Hansard* dated 16 April 1969, page 7584.

PUNISHMENT FOR EXCEEDING WORK QUOTA

Question No. 1,942—**Mr. Lambert (Edmonton West):**

1. Does any federal statute covering hours of work, rates of pay, or working conditions in any way whatsoever contain any provision or authorize any regulation made under such a statute permit any labour union, or any local thereof to set up any quota system of production whereby a worker may be disciplined or punished for exceeding any such quota whether quantitative or fixed in monetary terms?

2. Is the Minister of Labour aware of any statute dealing with labour relations or working conditions passed by a provincial legislature to the same effect as expressed in 1 above?

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): 1. There is no federal statute covering hours of work, rates of pay, or working conditions, containing the provisions stated in the question.

2. The Minister of Labour is not aware of any statute dealing with labour relations or working conditions passed by a provincial legislature containing the provisions stated in the question.

ADULT TRAINING COURSES IN QUEBEC

Question No. 1,943—**Mr. Laprise:**

How much has the federal government paid during the 1967-1968 fiscal year for training courses for adults (a) in the Province of Quebec; (b) for manpower offices in La Sarre, Rouyn, Amos, Val D'Or and Ville-Marie?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): (a) $24,714,359; (b) Rouyn, La Sarre, Ville-Marie—$77,431; Val D'Or, Amos—$25,886.

In 1967-68 La Sarre, Ville-Marie and Amos were sub offices and expenditures for training were grouped under the main offices of Rouyn and Val D'Or as shown.

AIRPORT SITE NEAR ST. JERÔME, QUEBEC

Question No. 1,944—**Mr. Skoberg:**

1. Did the planning and the responsibility regarding the selection of the new airport site at St. Jerôme, Quebec, rest with the Department of Transport?

2. Was the Air Transport Committee of the Canadian Transport Commission consulted regarding the selection of this new site, and did they concur in that decision?

Hon. Paul Hellyer (Minister of Transport): 1. Yes.

2. The Air Transport Committee of the Canadian Transport Commission was consulted during the period of discussions with other levels of Government and with airlines. The Air Transport Committee was specifically interested in the assignment of air traffic to the new International Airport and to Dorval.

E.M.O. AMBULANCE SERVICE

Question No. 1,958—**Mr. Robinson:**

1. Does EMO provide ambulance service to municipalities and, if so, where, and what is the cost of the service to EMO?

2. What is the value of the buildings and/or equipment and/or other benefits received by EMO from municipalities where this ambulance service is provided?

Questions

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. No.

2. Not applicable.

REGIONAL DEVELOPMENT AGREEMENTS

Question No. 1,977—**Mr. Mazankowski:**

1. What federal-provincial agreements have been entered into, to date, by the Department of Regional Economic Expansion?

2. What are the amounts involved regarding these agreements, by provinces?

3. Are these agreements, and the amounts involved, issued under the sole authority of the Minister?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. No federal-provincial agreements have been entered into since the Department of Regional Economic Expansion was officially established on April 1.

2. Not applicable.

3. Not applicable.

REGIONAL ECONOMIC EXPANSION INSIGNIA

Question No. 1,978—**Mr. Mazankowski:**

1. Who was responsible for the insignia of the new federal Department of Regional Economic Expansion?

2. Was a contract awarded concerning this undertaking?

3. If so, to whom and in what amount?

4. If departmental employees were not used, for what reason?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Hanz Simcik, design artist and illustrator, Graphics Unit, Public Information Division, Department of Regional Economic Expansion.

2. Yes.

3. Avenue Advertising Art Inc. of Montreal prepared four designs at a price of $545.

4. Not applicable.

*TASK FORCE ON INFORMATION

Question No. 1,979—**Mr. Schreyer:**

When is it anticipated that the Task Force on Information will complete its report, and will the Report be tabled in the House?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): The Prime Minister received a progress report several weeks ago from members of the task force and they hope to present their recommendations to the government next month. The matter of tabling, of course, cannot be anticipated before the government has received and considered the full report.

[Mr. Robinson.]

TAXATION FREE U.S. SUBSIDIARY

Question No. 2,040—**Mrs. MacInnis:**

What is the name of the wholly-owned United States subsidiary company, referred to in the 1968 Auditor General's Report, page 94, paragraph 155, which earned $9 million not subject to income tax?

Hon. Jean-Pierre Côté (Minister of National Revenue): This information is confidential and cannot be divulged.

QUESTIONS PASSED AS ORDERS FOR RETURNS

TEXTBOOKS FOR CROSS CULTURAL TRAINING

Question No. 1,485—**Mr. Lewis:**

1. What are the (a) names (b) subjects (c) dates of publication of all published text-books developed by the Curriculum Section of the Northern Education Branch of the Department of Indian Affairs and Northern Development designed specifically for teaching in a Northern and/or cross-cultural situation?

2. (a) Was the Curriculum Section solely responsible for the development of these text-books or was outside assistance required (b) if so, of what sort (c) did the teaching staff participate in the preparation of these text-books?

3. Which grades were these text-books designed to serve?

4. How many students are using these text-books?

Return tabled.

STUDENTS OF ESKIMO AND INDIAN STATUS

Question No. 1,486—**Mr. Lewis:**

1. For each of the academic years 1959-60 through 1967-68 inclusive, what was the number of students having Indian and Eskimo status in all schools operated by, or under contract for, the Department of Indian Affairs and Northern Development in the Northwest Territories and Arctic Quebec who (a) entered each grade level (b) failed from each grade level (c) "dropped out" from each grade level, and including figures for each grade from pre-school through to the final year of high school for each of (a), (b) and (c) above?

2. In each of the academic years 1959-60 through 1968-69 inclusive, how many school age children having Indian or Eskimo status were there in the Northwest Territories and Arctic Quebec?

3. In each of the academic years 1959-60 through 1968-69 inclusive, how many school age children having Indian or Eskimo status in the Northwest Territories or Arctic Quebec have not attended or are not attending school?

Return tabled.

CANADA COUNCIL GRANTS

Question No. 1,693—**Mr. Mongrain:**

For the fiscal years beginning on April 1, 1965, 1966, 1967 and 1968 (a) what persons obtained scholarships and grants from the Canada Council (b) for what purposes was each such grant extended?

Return tabled.

NATIONAL HOUSING—PUBLIC UNITS INQUIRY

Question No. 1,907—**Mr. Gilbert:**

1. How many public units have been built in Canada (a) under Section 35 (a) and (b) under Section 35 (d) of the National Housing Act?

2. Of these, how many were single family dwelling units, semi-detached, row housing, maisonetttes, three-story walk-ups, high rise?

3. Of the high rise, how many units are intended for (a) families without young children (b) families with young children and in connection with those under (b), where are they located?

4. Of the units approved by order-in-council since January 1, 1969, under both 35 (a) and 35 (d), what has been the average cost per unit for each of the following Provinces (a) British Columbia (b) Alberta (c) Saskatchewan (d) Manitoba (e) Ontario?

Return tabled.

ROD SERVICE LTD.—SALE OF VEHICLES TO GOVERNMENT

Question No. 1,916—**Mr. Macquarrie:**

1. Who inspected the vehicles sold to the Government of Canada by Rod Service Ltd. and when were these inspections made?

2. Was it required to make a reference to a third party appraiser in order to establish the prices of any or all of the vehicles purchased by the government?

3. During the purchase procedures, did the Government of Canada determine the amounts paid by Rod Service for each of these vehicles at the time of purchase by that Company and, if so, what was the purchase price by Rod Service of each of these vehicles?

4. How much was paid for each of the vehicles bought by the Government of Canada from Rod Service?

5. Which of the vehicles bought from Rod Service were then sold to Transfer Lapalme of Montreal and at what price was each of these vehicles sold?

6. Which of the vehicles bought from Rod Service were not sold to Transfer Lapalme of Montreal, and (a) what disposition was made of these vehicles by the Post Office, and (b) what disposition was made of these vehicles by the Government of Canada?

7. On what date(s) were cheques for payment of these vehicles sent to Rod Service Ltd. and from what place(s) were they mailed?

8. On what date(s) were these cheques received at Montreal by Rod Service Ltd.?

Return tabled.

• (2:10 p.m.)

[*Translation*]

MOTIONS FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to the President of the Privy Council): Mr. Speaker, notice of motion No. 94 is acceptable to the government, subject to the usual reservations concerning privileged papers and authorization of the government authorities concerned.

[*English*]

FEDERAL PARKS IN QUEBEC

Motion No. 94—**Mr. Fortin:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of any documents exchanged between the Government of Canada and the Government of Quebec concerning the establishment of federal parks in the Province of Quebec.

Mr. Speaker: Subject to the reservations and conditions expressed by the Parliamentary Secretary is it the pleasure of the house that Notice of Motion No. 94 be deemed to have been adopted?

Some hon. Members: Agreed.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, would you kindly call notices of motion Nos. 82, 84, 86, 88, 92, 93, 95, and 101?

I ask, Mr. Speaker, that the remaining notices of motion be allowed to stand.

INDIANS—REPORT OF WORKING GROUP

Motion No. 82—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of the document entitled "Report of Working Group I—Indians to the Executive Committee" which Working Group had its terms of reference set out in February, 1968 and which was formed to examine and outline the problems relating to Indians and to make recommendations concerning strategy, policy and programming.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I move this motion on behalf of the hon. member for Skeena?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the Minister of Indian Affairs and Northern Development that his departmental officials were unable to identify the document requested by the hon. member for Skeena and he has been informed of this fact. I understand that the hon. member is willing to withdraw the motion under the circumstances.

Mr. Knowles (Winnipeg North Centre): Under the circumstances I guess I have to agree.

Mr. Speaker: Dropped.

Motion withdrawn.

BACKGROUND REPORTS ON WATKINS REPORT

Motion No. 84—**Mr. Orlikow:**

That an Order of the House do issue for a copy of all background reports and papers prepared for the Watkins Report on Foreign Ownership and the Structure of Canadian Industry.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, these studies were prepared under special arrangements. In the case of the studies prepared by arrangement with the authors there were two understandings. The first was that the studies were confidential when prepared for the task force, and the second was that the authors were to have the right of publication afterwards. There is a third limitation, namely that some of them were prepared on the basis of confidential material in government files. The government would be prepared to table such studies as are not covered by those inhibitions, and in addition we can seek the consent of those particular authors for the tabling of those documents that do not contain confidential material. If the hon. member is agreeable to those limitations the motion could pass subject to them.

Mr. David Orlikow (Winnipeg North): I agree, although I am somewhat doubtful about how much I will get.

Mr. Speaker: Subject to the reservations, conditions and inhibitions expressed by the minister is it the pleasure of the house that Notice of Motion No. 84 be adopted?

Some hon. Members: Agreed.

Motion agreed to.

RESEARCH STUDIES ON LABOUR RELATIONS

Motion No. 86—**Mr. Orlikow:**

That an Order of the House do issue for a copy of each of the research studies commissioned and completed by and for the Labour Relations Task Force.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I think it might be agreed that this should stand for another week.

Mr. Speaker: Stand.

Motion stands.

[Mr. Forest.]

DIPLOMATIC RECOGNITION OF VATICAN

Motion No. 88—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all telegrams, correspondence and other documents received by the Prime Minister or any other member of the government since January 1, 1969 relating to the proposal that Canada extend diplomatic recognition to the Vatican.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, dare I offer to move this one on behalf of the hon. member?

Hon. Donald S. Macdonald (President of the Privy Council): You can try.

Mr. Knowles (Winnipeg North Centre): I shall try.

Mr. Macdonald (Rosedale): Mr. Speaker, I am advised with respect to this that the correspondence concerning diplomatic recognition of the Vatican exceeds over 10,000 separate pieces. The exact number between January 1st and March 31st is 10,275, and in order to comply with the rules of the house two copies of each would have to be prepared so that more than 20,000 copies would be necessary to comply with this motion. Under the circumstances I wonder would the hon. member not prefer to withdraw the motion.

Mr. Knowles (Winnipeg North Centre): Perhaps it can stand until the hon. member for Skeena (Mr. Howard) comes back to the house.

Mr. Speaker: Stand.

Motion stands.

HIGGIN'S REPORT ON QUEBEC INTERNATIONAL AIRPORT

Motion No. 95—**Mr. Broadbent:**

That an Order of the House do issue for a copy of the Higgin's Report regarding the selection of the International Airport site in Quebec referred to by the Prime Minister in *Hansard* on Friday, March 28, 1969.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, the report requested in this notice of motion was tabled on Friday last, and I think the hon. member will agree that the motion may now be removed from the order paper.

Mr. J. Edward Broadbent (Oshawa-Whitby): Agreed, Mr. Speaker.

Mr. Speaker: Dropped.

Motion withdrawn.

STUDIES ON DEFENCE DEVELOPMENT PROGRAM

Motion No. 101—**Mr. Broadbent:**

That an Order of the House do issue for a copy of the cost-benefit studies on the Defence Development Sharing Program showing a 24:1 ratio, referred to by Mr. David Mundy, Assistant Deputy Minister for External Service of the Department of Industry, Trade and Commerce, at the Standing Committee on Finance, Trade and Economic Affairs on April 1, 1969.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the Minister of Industry, Trade and Commerce that he is prepared to produce a copy of the cost-benefit analysis showing sales resulting from defence industry productivity program support to Canadian industry referred to by an official of the department at the Standing Committee on Finance, Trade and Economic Affairs on April 1, 1969.

Mr. Broadbent: Mr. Speaker, I am afraid I did not understand the statement. I wonder whether it could be repeated.

Mr. Forest: Yes. I am informed by the Minister of Industry, Trade and Commerce that he agrees to produce a copy of the cost-benefit analysis showing sales resulting from defence industry productivity program support to Canadian industry referred to by any official of the department at the Standing Committee on Finance, Trade and Economic Affairs on April 1, 1969.

Mr. Speaker: Subject to the reservations and conditions expressed by the parliamentary secretary, is it the pleasure of the house that notice of motion 101 be adopted?

Some hon. Members: Agreed.

Motion agreed to.

STANFORD RESEARCH INSTITUTE STUDY

Mr. David MacDonald (Egmont): Mr. Speaker, perhaps I might put this as a question of privilege. More than three months ago it was agreed that the documents I was looking for with regard to the Prince Edward Island causeway construction, particularly the Stanford Research Institute study, would be presented by the government and tabled in the House of Commons. More than three months have gone by and these statements have not been produced. I wonder whether there should be some time limit, when the government has agreed to produce documents, within which they should be tabled in the house.

Hon. Donald S. Macdonald (President of the Privy Council): They were to be produced, subject to the normal restrictions of consent being obtained from the appropriate provincial authorities. I have had correspondence which I hope will result in the final consents being obtained, but at the moment they have not been obtained.

Mr. MacDonald (Egmont): It is my understanding that some weeks ago the specific provincial governments indicated they wanted these documents tabled in the house.

ORAL QUESTION PERIOD

TRADE

WHEAT—DECLINE IN EXPORTS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister, in view of the general expectation of another serious decline in wheat exports this year, whether he can say if an early statement will be made by one of his colleagues indicating whether there is any hope for improvement in the situation and, if not, whether we may expect a decision soon on the request for interim assistance to western farmers.

Right Hon. P. E. Trudeau (Prime Minister): I will discuss that with my colleagues.

Mr. Stanfield: Could the Prime Minister tell the house whether the U.S.S.R. intends to fill the original terms of its long term wheat agreement with Canada, which I believe expires July 31.

Mr. Trudeau: I think it would be preferable if the Minister of Industry, Trade and Commerce who is concerned with the negotiations reported to this house on that in due course.

Mr. Stanfield: There is one further point in this regard which the minister might answer when he makes his report. Would he say whether it is the view of the government that shipments of grain this year are expected to be minimal, as forward sales of wheat other than Durums are very disappointing and should be amply covered by stocks already in store in St. Lawrence ports.

Mr. Trudeau: I do not think I would be willing to agree with the prophecy of the Leader of the Opposition.

Inquiries of the Ministry

WHEAT—COMPETITION FROM U.S. FOR U.S.S.R. AND CHINESE PURCHASES

Mr. G. W. Baldwin (Peace River): Mr. Speaker, my supplementary probably falls peculiarly within the knowledge of the Prime Minister. Has he any information on whether the United States is considering bidding for Russian or perhaps Chinese wheat markets? Did the Prime Minister receive any information on this subject in his discussions with President Nixon?

Right Hon. P. E. Trudeau (Prime Minister): The answer is no, Mr. Speaker.

WHEAT—SUGGESTED EXPANSION OF SALES PROMOTION ACTIVITIES

Mr. Ed Schreyer (Selkirk): Mr. Speaker, my supplementary arises from the statement made by the Chairman of the Canadian Wheat Board in Winnipeg on Friday last to the effect that the Wheat Board would welcome any supplement to the sales staff of the Wheat Board by means of an expansion of the trade promotion bureau of the Department of Trade and Commerce. Will the government give consideration to the observation made by the Chairman of the Wheat Board in respect of the sales promotion staff of the Canadian Wheat Board being supplemented by other officials of the government.

Right Hon. P. E. Trudeau (Prime Minister): I am sure the minister will take note of the representations of the member, Mr. Speaker.

WHEAT—ATTRACTIVE TERMS TO POTENTIAL IMPORTERS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I should like to direct a supplementary question to the Prime Minister in respect of what I consider to be a matter of grave urgency. In view of the fact that the recent tour of the agricultural committee through western Canada indicated that the basic problem facing grain farmers was the huge pileup of unsold grain, will the Prime Minister in full co-operation with his ministers immediately develop trade policies with potential importers, such as long-term low interest rate credit arrangements, reciprocal trade agreements and the like, so that our Wheat Board will have some practical support in moving our large stocks of prairie grain?

Mr. Speaker: The hon. member's question takes the form of a submission or representation. I assume the minister has made note of it.

[Mr. Trudeau.]

EXCHANGE OF WHEAT FOR JAPANESE MANUFACTURES

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to direct a supplementary question to the Minister of Finance, who, along with the Minister of Agriculture, has just returned from Japan. During these discussions did Japanese authorities offer to take more western wheat in return for the importation by Canada of certain industrial goods from Japan? Was there any deal or discussion in this regard?

Hon. E. J. Benson (Minister of Finance): Not to my knowledge, Mr. Speaker.

Mr. Woolliams: The minister said not to his knowledge, but I should like to know whether there was any discussion in respect of this matter. He was present during the discussions. Did he stimulate any thought in this regard?

Mr. Benson: Mr. Speaker, we stimulated a great deal of thought in respect of Japan importing more wheat, rapeseed and many other products of Canada.

Mr. Woolliams: Are you prepared to give us a statement?

GRAIN

JURISDICTION BY WHEAT BOARD OVER FEED GRAINS

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, in view of the tremendous reception given the minister in charge of the Canadian Wheat Board at a mass meeting of the Saskatchewan Farmers Union in Saskatoon on April 10, at which time a brief was presented to the government of Canada, the government of Saskatchewan and the Canadian Wheat Board, concerning the return of feed grains including flax, rye and rapeseed, to the jurisdiction of the Canadian Wheat Board, can the Prime Minister advise whether this report has been considered by the government and indicate what action the government proposes to take as a result of this request on the part of this farm organization?

Right Hon. P. E. Trudeau (Prime Minister): This also will be dealt with by the relevant minister, Mr. Speaker.

Mr. G. W. Baldwin (Peace River): I rise on a point of order, Mr. Speaker. I submit when there is a continuing serious crisis the government and the Prime Minister should forget the arbitrary, highly improper and illegal roster system the Prime Minister has introduced, and have someone here to answer the questions.

CANADIAN ECONOMY

INQUIRY AS TO STEPS TO REDUCE POVERTY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask the Prime Minister a question regarding representations made to the Senate standing committee yesterday by the Canadian Economic Council, requesting that the war on poverty program as outlined in its annual review be implemented forthwith. Does the Prime Minister intend to re-constitute the special planning secretariat whose task it was to mastermind the war on poverty program?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Is it not the Prime Minister's intention to reconstitute this special planning secretariat, is he going to name any agency to co-ordinate the efforts of his ministers in respect of this war on poverty program and, if so, what agency?

Mr. Trudeau: Mr. Speaker, we have at least two cabinet committees co-ordinating the economic and regional development aspects of this matter.

AIRPORTS

[*Translation*]

QUEBEC—LOCATION OF INTERNATIONAL AIRPORT

Mr. Réal Caouette (Témiscamingue): My question is for the Minister of Transport. Is the government still negotiating with the Quebec government about the matter of the site for the international airport?

[*English*]

Hon. Paul Hellyer (Minister of Transport): No, Mr. Speaker.

[*Translation*]

Mr. Caouette: A supplementary question, Mr. Speaker. Is the decision final or is it still possible to carry out other studies and negotiations on this matter?

Mr. Speaker: It seems to me that the hon. member is asking a question already asked yesterday.

Mr. Caouette: Mr. Speaker, with all due respect, circumstances change from day to day, on account of the kind of government we have. I wonder if the minister has not changed his mind overnight.

Mr. Speaker: Order. Unfortunately for the hon. member, the rules of the house do not change from day to day.

Some hon. Members: Hear, hear.

INQUIRY AS TO COST OF STE SCHOLASTIQUE SITE

Mr. René Matte (Champlain): Mr. Speaker, I wish to ask a supplementary question.

Could the Minister of Transport tell us whether the Quebec government authorities have advised him that they would refuse to build the access roads to the new international airport at Ste Scholastique?

[*English*]

Mr. Hellyer: Certainly not officially, to the best of my knowledge, Mr. Speaker. They have indicated their displeasure with the choice of the site, but they have not officially advised us that the necessary co-operation will not be forthcoming.

[*Translation*]

[*Later:*]

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I would like to put a question to the Minister of Transport. Is he not of the opinion that a supplementary expenditure amounting to $91 million to be borne by the Canadian people would justify pursuing negotiations with the government of the province of Quebec and showing as much co-operation—

Mr. Speaker: Order. I regret to interrupt the hon. member, but it seems to me that his question is rather an argument and is therefore unacceptable.

[*English*]

AIR CANADA

STRIKE OF MECHANICS—INQUIRY AS TO MATTERS IN DISPUTE

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is to the Minister of Labour. Now that he has indicated that the question of money is not the chief difference between the union of machinists and Air Canada, and that the union has admitted this is not the principal difference, would the minister kindly advise the house what are the issues between this international union and

Air Canada, in a matter which is so disrupting communications in this country?

Hon. Bryce S. Mackasey (Minister of Labour): Mr. Speaker, I am very pleased that the question was posed by such an experienced member of the House of Commons, who really appreciates that a wide and sweeping statement as to all the issues involved could only jeopardize what are very delicate negotiations. Provided the house has a little confidence in the Minister of Labour—

Some hon. Members: Hear, hear.

Mr. Mackasey: —and will not aggravate a very delicate situation for the sake of curiosity, we may be able to bring this matter to a successful conclusion pretty soon.

Mr. Lambert (Edmonton West): A supplementary question, Mr. Speaker. I refrain from comment on that answer. Perhaps the minister could take the house and the country into his confidence and tell us in general terms—we are not asking for the dollars and cents—whether it is a question of wages, fringe benefits, seniority; or what are the problems?

Mr. Mackasey: Mr. Speaker, the hon. gentleman has done a very capable job of outlining the problems yet to be resolved in all these areas. I can assure the house that if the matter is not settled fairly soon, and I think one party or the other is to blame, I will assume my responsibility as Minister of Labour to inform the Canadian public, in the house, what I think is the reason for this dispute. I will have no hesitation in telling the house and the country who is the culprit, if there is a culprit, in the dispute.

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I have a further supplementary question. Is the minister now preparing to apply his well known personal magnetism to bring about a speedy settlement of this dispute?

Mr. Lambert (Edmonton West): A further supplementary question, Mr. Speaker. With all due deference, I am not trying to fix any blame. I am just asking the minister, because of his interest—I am sure his interest is shared by all—in getting this dispute settled, whether he will tell the house in general terms just what might be the issues.

Mr. Mackasey: The answer is no, Mr. Speaker.

[Mr. Lambert (Edmonton West).]

STRIKE OF MECHANICS—ALTERNATE SERVICE BY REGIONAL AIR CARRIERS

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, my question is directed to the Minister of Transport. Is the government considering the expansion of services by regional air carriers both for the present and future, so that in the event of disruption of air service as at present the public will have more alternate service available?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, the air policy announced several years ago does provide for the strengthening and growth of the regional air carriers, as business available to support them increases.

Mr. Baldwin: Is that 30 years ago?

STRIKE OF MECHANICS—TRANSPORTATION OF PERISHABLE GOODS

Mr. Max Saltsman (Waterloo): Mr. Speaker, I have a question for the Minister of Transport. Yesterday, in reply to a question on the subject of baby chicks, the minister indicated that he would check into the situation with a view to making all possible arrangements to facilitate the movement of these baby chicks. Has the minister had a chance to look into the situation, and can he report on the success of his investigation?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I have had a preliminary look at it. The regional carriers are able to undertake shipments over the distances they operate. There are, I understand, two regional carriers in a position to offer charter flights which might be useful for the chicks.

It has been suggested to some of the producers that they might get in touch with these operators to see if it is possible to charter flights which would help them out in the situation. In addition, I think there are one or two circumstances in which it will be necessary to have the co-operation of the Canadian Pacific Airlines, and I will make representations directly to the airlines to see if they will not help out.

Mr. Eldon M. Woolliams (Calgary North): I have a supplementary question, Mr. Speaker. I wonder if the minister would take kindly the suggestion that he get in touch with the Department of Transport to see whether they could move perishable goods, including chicks, to the domestic market in Canada and also to the export market in Japan.

Mr. Hellyer: We do not have transoceanic airplanes, Mr. Speaker, but if we did we would consider it.

Mr. Woolliams: May I put the following question to the minister with regard to his suggestion concerning C.P.A.: Is the minister aware that C.P.A. is so choked with the mail of the Postmaster General, and other goods, that they have openly said there is no room for those kinds of goods in their aircraft?

Mr. Speaker: Order, please.

THE BUDGET

ANNOUNCEMENT OF PRESENTATION OF BUDGETARY PROPOSALS

Mr. David Lewis (York South): I should like to address a question to the Minister of Finance. Is he in a position now to inform the house whether he intends to present a budget, and if not a budget then an economic survey, and if so, when may we expect him to do so?

Hon. E. J. Benson (Minister of Finance): As I stated previously, I intend to make a budget speech of one form or another, and the time for it would be some time toward the end of May or in the early part of June.

INCOME TAX

REQUEST FOR EXEMPTION OF OLD AGE PENSIONERS

Mr. Stanley Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker. In preparing his budgetary statement, is the minister still considering including in it a provision so that taxation will not continue to be levied on old age pensioners who have only their pensions and the guaranteed income supplement on which to live?

Hon. E. J. Benson (Minister of Finance): In the preparation of the budget we consider all submissions which have been made to the government in this regard.

FITNESS AND AMATEUR SPORT ACT

DELAY IN QUEBEC PARTICIPATION

Mr. Gérard Loiselle (Saint-Henri): Mr. Speaker, I have a question for the Minister of National Health and Welfare. In light of the serious accusations made by the Hon. Gabriel Loubier, minister of tourism, fish and game of the province of Quebec, regarding the federal government's reluctance to allow Quebec to enter the federal fitness and amateur sport program, would the Minister of National Health and Welfare explain this delay to the house?

Inquiries of the Ministry

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker. There has been no reluctance on our part since the inception of the fitness program. We have had agreements with other provinces, and Quebec has chosen not to enter those agreements. Lately, during the last year of the current three year agreement, Quebec has indicated some interest. We are more than happy to have them come in, but some of their suggestions are novel ones and we are carrying out discussions with regard to them. We are prepared to carry them on with Quebec.

I have endeavoured on several occasions to talk to the minister to whom the hon. member referred, but apparently he has not been in a position to reply, other than to send his telegram.

RESEARCH

AUSTERITY MEASURES IN ANIMALS PROGRAM

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to refer to page 6891 of *Hansard* on which appears a question which I asked of the Minister of National Health and Welfare. It reads as follows:

> Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. In view of the statement that appeared in a leading newspaper to the effect that Canada's reputation in animal research, and even the health of scientists engaged in that field, has been put in jeopardy by the government's austerity measures, would the Minister of National Health and Welfare state what measures are now being taken to correct this terrible situation?

On that date you said, Mr. Speaker, that the minister could probably give the answer in the form of a statement on motions. Therefore I ask that this information be put in the form of a statement on motions tomorrow by the Minister of National Health and Welfare, or by the Minister of Agriculture, so that we are informed of what is going on.

Hon. John C. Munro (Minister of National Health and Welfare): I am not aware of the fact that our research program in this area has been jeopardized as a result of any cutback in the health resources fund, or whatever fund the hon. member is talking about. As he knows, we have more than doubled the millions of dollars we have already allocated to the research field, so far as medical research is concerned.

Mr. Rynard: It is apparent that the Minister of National Health and Welfare does not understand my question. Perhaps the Minister of Agriculture could make this statement tomorrow on motions.

Inquiries of the Ministry

[*Translation*]

CANADIAN CULTURE

EDUCATION AGREEMENT BETWEEN QUEBEC AND FEDERAL GOVERNMENT

Mr. Henry Latulippe (Compton): Mr. Speaker, I wish to direct a question to the Secretary of State.

Would he tell the house whether his meeting with the Quebec minister, Mr. Jean-Noël Tremblay, regarding a federal-provincial agreement on education, indicates the possibility of negotiations in a climate of co-operation and understanding?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, first I must correct the wrong impression under which the hon. member seems to be. Nothing was said about education. Only cultural affairs were discussed.

As a result of the meeting, it has been agreed that the representatives of the two departments would keep mutually informed, that they would endeavour to act in a complementary way and to co-ordinate their activities and that they would meet again in order to determine how this co-operation and this co-ordination could best be put into practice.

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to ask a supplementary question.

Could the minister tell us whether as a result of having been in touch with Mr. Tremblay, the Quebec minister of Cultural Affairs, he has enriched his own culture?

[*English*]

EXTERNAL AFFAIRS

MAINLAND CHINA—U.S. REACTION TO CANADIAN RECOGNITION

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In view of the minister's revelation a day or so ago that the United States voiced a contrary view to Canada's proposed recognition of China, will the minister undertake shortly to fill in the house and Canadians generally on the details of the U.S. position, since this is something which should be known to Canadians before any decision is taken?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I do not think it is necessary for us to do that. The U.S. secretary of state made a statement which was published many weeks ago. I will get it for the house and table it if necessary.

Mr. Muir (Cape Breton-The Sydneys): May I ask the minister whether the government intends to go ahead in its negotiations with Red China, regardless of the attitude taken by the United States or by the people of Canada?

Mr. Sharp: I hope we make our own decisions in Canada.

Some hon. Members: Hear, hear.

Mr. Lewis: It is about time.

AIR TRANSPORT

ALLEGED DISCRIMINATORY AIR FREIGHT CHARGES

Mr. Hue Harries (Edmonton-Strathcona): I have a question for the Minister of Transport. In view of the fact that the International Air Transport Association is now discussing international air freight rates at the Athens meeting, I wonder what instructions the Canadian delegation has received to pursue vigorously the removal of the existing discriminatory, unreasonable and prejudicial air freight charges now being levied on all shipments between western Canada and Europe. If there have been no such instructions, I wonder whether the minister would be prepared to intervene to correct this prejudicial situation.

Mr. Baldwin: It sounds like a description of Benson's budget.

Hon. Paul Hellyer (Minister of Transport): I would be pleased to take these representations to the appropriate officials, and to see that they are given consideration.

TRANSPORT

BORDEN-TORMENTINE FERRY RATES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to put a question to the Minister of Finance concerning the passenger and automobile rates on the Borden-Tormentine ferry service, a matter of real urgency in this causeway defunctus era. Can he advise if a decision to increase the rates has been taken, and if so when such an unwelcome measure is to go into effect?

Hon. E. J. Benson (Minister of Finance): That is a question that should be referred to the Minister of Transport.

Mr. Stanfield: Don't disclaim responsibility for it.

An hon. Member: Rise and shine.

Mr. David MacDonald (Egmont): Mr. Speaker, I put a somewhat similar question some days ago to the Minister of Transport and he assured me that within a day or two he would be prepared to make a statement both on the rates and on some of the difficulties that have been encountered recently with regard to the C.N.R. operations. Is that being postponed again, or may we expect a statement this week?

Hon. Paul Hellyer (Minister of Transport): I doubt that it will be possible to make it this week, but I hope that we can have this matter settled in a just manner within a few days.

Mr. James A. McGrath (St. John's East): I have a further supplementary question, Mr. Speaker. Is the minister prepared to say to the house whether a decision has been taken to raise the rates on this important service this summer?

Mr. Hellyer: Yes, Mr. Speaker. The answer is no as of now.

INQUIRY OF THE MINISTRY

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. Having in mind the fact that this month a great many consumers across the country are having to pay a great deal more money for a much reduced mail service, I wonder whether the minister would investigate those responsible for this situation, possibly starting with the Postmaster General?

EXPROPRIATION

INQUIRY AS TO INTRODUCTION OF LEGISLATION

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Minister of Justice. In view of past assurances by the minister that legislation to amend the Expropriation Act would be introduced to the house this session, can the minister inform the house when this might be?

Hon. John N. Turner (Minister of Justice): I said, in answer to a question from the hon. member for Peel South a few days ago, that I hope the legislation will be introduced in the next two or three weeks.

Inquiries of the Ministry

CANADIAN BROADCASTING CORPORATION

WORLD HOCKEY CHAMPIONSHIPS IN SWEDEN

Mr. Steven E. Paproski (Edmonton Centre): My question is directed to the Secretary of State and it relates to the coverage by the Canadian Broadcasting Corporation of the recent world hockey championships in Sweden. In view of the government's declared intention to avoid waste, can the minister report to the house the reason for sending 56 C.B.C. employees to Sweden for three weeks, when the television contract for the world hockey games had already been secured by C.T.V.?

Mr. Speaker: I am afraid this question should be placed on the order paper.

PEST CONTROL

USE OF D.D.T. IN CANADA

Mr. A. P. Gleave (Saskatoon-Biggar): I would direct a question to the Minister of National Health and Welfare. In view of the fact that Sweden has banned outright the use of d.d.t. in that country because of its harmful effects on human beings and other higher forms of life—

An hon. Member: Explain.

Mr. Baldwin: He must mean Conservatives.

Mr. Gleave: —is the effect of this chemical and its use in Canada being investigated?

Mr. Speaker: The question can be placed on the order paper or debated at the time of the adjournment.

NATIONAL DEFENCE

A.B.M. SYSTEM—MISSILE SITE IN MICHIGAN AREA

Mr. Maurice Foster (Algoma): My question is for the Minister of National Defence. Can the minister tell the house whether the United States anti-ballistic missile site for the Michigan-Ohio area will be located in the vicinity of Sault Ste. Marie, in the upper peninsula of Michigan?

Mr. Speaker: I would think that this question, if it is in order, should be placed on the order paper.

Inquiries of the Ministry

EDUCATION

ASSISTANCE TO ALBERTA YOUTH CORPS

Mr. Don Mazankowski (Vegreville): I wish to direct my question to the Secretary of State, Mr. Speaker. Has the Secretary of State received a submission from the province of Alberta requesting assistance in financing the Alberta Youth Corps, a voluntary organization active in the field of education and mental health in that province?

Mr. Speaker: I fail to see the urgency of the question, but if the hon. member thinks it is urgent I shall be pleased to return with him at the time of the adjournment.

Mr. Mazankowski: Ten o'clock, Mr. Speaker.

DRUGS

CANADIAN ACTION IN MARKETING OF ANTIBIOTICS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Last week, Mr. Speaker, I asked the Minister of National Health and Welfare about the decision of the food and drug administration in the United States to ban the marketing of some 78 drugs because they contained antibiotics suspected of exposing patients to unnecessary risk. May I ask what action the hon. gentleman's department has taken to ban similar drugs in this country? The minister promised to consider this question and reply at a later date, and I wonder whether he now has anything to report to the house.

Hon. John C. Munro (Minister of National Health and Welfare): I hope to be in a position to report on this question, perhaps tomorrow.

UNITED NATIONS

POSSIBLE DISCUSSION OF NIGERIA-BIAFRA CONFLICT

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Secretary of State for External Affairs whether he proposes to take any new initiative with regard to the conflict in Nigeria, particularly in view of the apparent breakdown of efforts by the appropriate association of African states in this area. In particular I would ask the Secretary of State for External Affairs whether he proposes to take any initiative at the United Nations in this regard.

[Mr. Speaker.]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Since the breakdown of the negotiations undertaken by the Organization of African Unity we have looked at this question again, and the same difficulty appears—that we are not likely to obtain sufficient support in the United Nations for this question to be raised in a constructive way. The hon. gentleman is aware, as I am sure are all hon. members, that the problem arises from the fundamental difference which now exists as to what should be the future of Nigeria. Until there is some agreement on this I do not think negotiations can proceed.

Mr. Stanfield: Is the hon. gentleman making any effort of an orderly sort to persuade the countries involved to reach agreement as to an appropriate method by which to proceed?

Mr. Sharp: As I have said before, there is no lack of intermediaries. There are many, including ourselves, who would be only too happy to act in such a capacity. But until there can be agreement on whether there ought to be one Nigeria or an independent Biafra, I really do not see that there is much to be done.

Mr. Stanfield: I should like to ask the minister whether he is now prepared to disclose to the house the message he sent to the government of Nigeria and the suggestions made to that government some weeks ago, which he declined to disclose until ample time had passed for the message to be delivered.

Mr. Sharp: Yes, Mr. Speaker. Perhaps I had better answer that question tomorrow. I shall take the question as notice. I have a report and will make it tomorrow.

BIAFRA—DISCUSSION OF ACTION FOR HUMANITARIAN RELIEF

Mr. Andrew Brewin (Greenwood): Would the hon. gentleman tell us whether any progress is being made in connection with the proposal of the Committee on External Affairs and National Defence, endorsed by him I believe in his speech on November 26, that international action for humanitarian relief should be considered in the United Nations?

Hon. Mitchell Sharp (Secretary of State for External Affairs): If the hon. gentleman will look up *Hansard* he will find I have answered this question.

Mr. Brewin: The hon. minister answered it by saying he would look into the matter further and report later. Is he ready to report to the house now?

Mr. Sharp: That was the first answer I gave. I gave a supplementary answer later.

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

RECOMMENDATIONS FROM STANDING COMMITTEE ON NIGERIA-BIAFRA CONFLICT

Mr. Lincoln M. Alexander (Hamilton West): Would the Secretary of State for External Affairs advise the house when he intends to make a statement concerning the recommendations conveyed to him by the Standing Committee on External Affairs and National Defence with regard to the whole Nigeria-Biafra conflict?

Hon. Mitchell Sharp (Secretary of State for External Affairs): When that report was presented to the house, I did make a statement, but I will review that statement now to see whether it needs to be modified in the light of later events.

AIRPORTS

Mr. E. B. Osler (Winnipeg South Centre): My question is directed to the Minister of Transport. In view of the fact that the Province of Quebec does not seem to want a new airport, and since the workers in Montreal and Air Canada do not seem to want to work, while we know that workers in Winnipeg will work, could the management—

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. I think the house will have to surmise the rest of the hon. member's question.

Some hon. Members: Go on.

CANADIAN BROADCASTING CORPORATION

"DON MESSER'S JUBILEE"—RESOLUTION OF NEW BRUNSWICK LEGISLATURE

Mr. Robert McCleave (Halifax-East Hants): My question is for the Secretary of State, Mr. Speaker. Will the hon. gentleman send along to the appropriate C.B.C. authorities the resolution which members of the New Brunswick legislature passed expressing unanimous agreement on the need to retain Don Messer.

Some hon. Members: Hear, hear.

Inquiries of the Ministry

CONSUMER AFFAIRS

ALLEGED MONOPOLISTIC ACTION OF OIL COMPANIES

Mr. W. M. Howe (Wellington-Grey): I have a question for the Minister of Consumer and Corporate Affairs. According to news reports this morning a statement has been made by an executive of the National Automotive Trade Association inferring that because of monopolistic action by the oil companies Canadians are paying too much for gasoline and auto parts. In view of this statement and its implications as far as the cost of living of every Canadian is concerned, would the minister institute an examination of this industry to insure that Canadians are being given fair treatment?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Of course, this is a matter which is constantly under surveillance by the Director of Investigation and Research under the Combines Investigation Act. I would also point out that I have not seen the statement to which the hon. member alludes, but the T.B.A. report is presently before the Economic Council of Canada for consideration, together with the report recently made in Alberta on the same subject. I expect to have a report from the Economic Council some time this spring.

Mr. Baldwin: Always we have surveillance but never action.

Mr. Howe: Mr. Speaker, might I ask the minister to make a statement some day in the house on these reports he is receiving, so all the people of Canada may understand what is going on.

Mr. Basford: If and when that is appropriate, Mr. Speaker, yes.

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary question, Mr. Speaker. Would the minister ask his prices commission to make a report in the matter?

COMBINES

FAILURE BY SUGAR REFINERIES TO OBEY COURT ORDER

Mr. Max Saltsman (Waterloo): Mr. Speaker, may I direct a supplementary question to the Minister of Consumer and Corporate Affairs. It has to do with monopolies. Has the minister received a formal complaint charging that Canada's big three sugar refineries have failed to obey a court order restricting them

from monopolistic practices. If so, what action does the government propose to take?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, it is long established practice not to reveal names of those who lodge complaints or information with us. Those people lodging complaints or information are free, of course, to make their own names public.

Mr. Saltsman: A supplementary question, Mr. Speaker. My question to the minister did not concern privacy. I did not ask him for the names of any people involved in the matter. I asked him whether such complaint had been made and what the government intends to do in this regard?

Mr. Basford: Mr. Speaker, the Director of Investigation and Research under the Combines Investigation Act is, as always, carrying out his statutory duties.

AIR CANADA

WINNIPEG—TRANSFER OF BASE TO NORTHWEST INDUSTRIES LIMITED

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport. A week ago today I asked him a question with respect to the transfer of the Air Canada Winnipeg base at Winnipeg to Northwest Industries Ltd. I asked what steps the government is taking to make sure that the employees affected will not be either unemployed or forced to take work at lower wages than they have had under Air Canada. The minister said he would give me an answer in a few days. Is that answer now available?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I got in touch with the officers of Air Canada at once. Unfortunately, the senior personnel of the corporation have been occupied in pressing negotiations with the machinists union during the last few days. This has made it impossible for them to obtain all the information I should like to have before answering my hon. friend's question.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Is the minister not aware that I asked what steps the government was taking? Will he not answer that question now?

Mr. Hellyer: Mr. Speaker, that is already known. The government indicated that it wanted fair treatment at the time the direction was given to Air Canada in the first place.

Mr. Knowles (Winnipeg North Centre): A further supplementary question, Mr. Speaker. Is the minister not aware that the government not only said that it wanted fair treatment, but that it assured fair treatment in this matter. I ask, what has been done to keep this commitment?

Mr. Speaker: Order, please. This is debate, and not a supplementary question.

Mr. Knowles (Winnipeg North Centre): Ten o'clock, Mr. Speaker.

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a question to the Prime Minister.

All Canadians recognize that the Prime Minister is very fond of sports and that during the election campaign of 1968 he collected kisses. But, since he collected tomatoes in Calgary recently, could he tell us if they were grown in Canada or imported?

Mr. Speaker: Order, please.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know why the hon. member, or others think that tomatoes were thrown at me. They were thrown at the newspapermen and they are the ones who assume they were being aimed at me and not at them.

[*English*]

Mr. Speaker: Order, please.

EXTERNAL AFFAIRS

ADDITIONAL PASSPORT ISSUING SERVICE

Mr. F. J. Bigg (Pembina): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. Will he use his influence with the cabinet to expand facilities for our most excellent and efficient passport department so that the department can carry on its excellent work in more efficient quarters.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the cabinet has already given me that authority.

[*Translation*]

SPORTS

NATIONAL HOCKEY TEAM—INQUIRY AS TO POSSIBLE CHANGE

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

Considering the poor standing of the national hockey team during the last world tournament, is it true that the minister is ready to announce changes likely to ensure a better Canadian performance in the future?

Mr. Speaker: The hon. member is asking the minister to confirm or deny a report or a rumour. I do not think the question as asked is in order.

[*English*]

ROYAL CANADIAN MOUNTED POLICE

PRESENTATION OF MUSICAL RIDE IN ENGLAND

Mr. Steven E. Paproski (Edmonton Centre): Thank you for recognizing me again, Mr. Speaker. I wish to direct my question to the Solicitor General, since I know he is interested in cutting out waste. My question has to do with the visit of the R.C.M.P. to England, where they will partake in a musical ride. I understand that 14 constables have already arrived in the old country—

Mr. Speaker: Order please. The hon. member at this time must not make a speech, even if it is a musical speech. He ought to ask a question.

Mr. Paproski: Mr. Speaker, since 14 constables have arrived in England may I ask the Solicitor General, where are the horses?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, they are in the United Kingdom.

AGRICULTURE

POTATOES—REQUEST FOR STATEMENT ON ASSISTANCE TO P.E.I. GROWERS

Mr. David MacDonald (Egmont): Mr. Speaker, may I direct a question to the Minister of Regional Economic Expansion. It has to do with the comprehensive development plan of which the federal government is a signatory, and to which it will contribute something. Have the minister's officials had occasion recently to contact responsible provincial officials with regard to bringing immediate assistance to some persons engaged in a basic industry covered by the plan, namely, the agricultural industry. In short, are there any plans to assist farmers engaged in potato growing.

Mr. Speaker: Order please. Is the hon. member asking a question.

Mr. MacDonald (Egmont): Yes, Mr. Speaker. I wish to know whether the minister or his officials have been discussing with provincial officials the question of providing assistance under the plan I referred to for potato growers.

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, personally, I have not discussed the matter. As regards officials of my department, I shall inquire before replying to the hon. member.

THE MINISTRY

SPEECH TO QUEBEC EAST LIBERAL ASSOCIATION

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I wish to address a question to our honourable and fearless Secretary of State.

In a speech he delivered before the Quebec East Liberal Association, he is reported as having said that the western world has received—

Mr. Speaker: I regret to interrupt the hon. member, but I have to remind him that he cannot ask questions referring to speeches delivered by ministers outside the house. He can only ask the Prime Minister whether a speech made outside the house reflects government policy.

Mr. Schreyer: Mr. Speaker, according to the English text, the minister is reported as having said, and I quote:

[*English*]

Mr. Speaker: Order please. I am afraid the question cannot be asked in this way.

Mr. MacInnis: A supplementary question, Mr. Speaker—

Mr. Speaker: Order please. The original question was not allowed; therefore there can be no supplementary.

NATO

Mr. MacInnis: On a point of order, Mr. Speaker. May I remind Your Honour that previously when you ruled a question out of order the Prime Minister nevertheless was permitted to answer.

Mr. Schreyer: Mr. Speaker, I rise on a question of privilege. May I ask the minister why there are two versions of an important speech he gave. There is a French version and an English language version of the speech he made to the Quebec Liberal Association. He made a very important statement which appears in the English version but it is missing entirely from the French version.

Mr. Speaker: Order, please. I do not think this is a matter which can be brought up as a question of privilege. Perhaps a question ought to be directed to the translator.

TRANSPORT

BORDEN-TORMENTINE FERRY RATES

Mr. David MacDonald (Egmont): Mr. Speaker, I rise on a point of order which relates to an earlier question of privilege. I did not wish to bring the matter up earlier because I did not wish to take up the time of the house. During the course of questioning with regard to increases in ferry rates the Minister of Transport may have misled the house. He misrepresented, I submit, the position that was adopted before the Standing Committee on Transport and Communications where it was indicated no decision had been taken. In the house he indicated that ferry rates governing the Northumberland Strait crossing by the Canadian National were to be increased. I therefore submit that he misled the standing committee and the house on a very important matter affecting transportation to and from one of our provinces. I think the house deserves an explanation from the minister with regard to this particular question.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, perhaps I can clear up the misunderstanding at once by saying that the government has decided in principle to increase the ferry rates. Secondly, no decision has yet been taken with respect to the new level of the rates which the government is presently considering. I am afraid that this has been a question of semantics. I did not mean to mislead the house.

[Mr. Speaker.]

• (3:00 p.m.)

GOVERNMENT ORDERS

NORTH ATLANTIC TREATY ORGANIZATION

MOTION FOR APPROVAL OF GOVERNMENT POLICY

Right Hon. P. E. Trudeau (Prime Minister) moved:

That this house supports the government's policy of continued Canadian participation in the North Atlantic Treaty Organization and the intention of the government, in consultation with Canada's allies, to take early steps to bring about a planned and phased reduction of the size of Canadian forces in Europe.

[*Translation*]

He said: Mr. Speaker, the government welcomes this debate for it provides an occasion to discuss in the House of Commons those aspects of Canadian defence policy which were announced earlier this month.

The government's decision to engage in a thorough review of its foreign policy was, I think it fair to say, welcomed by most Canadians and indeed by representatives of all political parties. Some years have passed since the last careful re-evaluation of our external relations was conducted, and much has changed in the world in the interval. Our decision to review was taken with care, and the review in its several aspects is being pursued with care. In an exercise as important and as infrequent as this, haste is not a criterion which we on this side regard as necessary. Far better, we believe, to proceed with deliberate speed and attention than to meet artificial deadlines with incomplete studies and hurried decisions.

This comprehensive foreign policy review fulfils an undertaking given by the Liberal party in the last election campaign. I stated late last May that a thorough re-examination was needed "because of the changing nature of Canada and the world around us."

I also said and I quote:

—our approach will be pragmatic and realistic—above all to see that our policies in the future accord with our national needs and resources, with our ability to discharge Canada's legitimate responsibilities in world affairs.

It is our intention that the review will, prior to conclusion, encompass all aspects of our foreign relations, including trade, economic assistance programs, and defence. Some parts of the review are, of course, more

advanced than others. In all aspects, however, it has been our decision to return to fundamental principles; to make no assumptions about the validity of previously pursued policies.

It can, of course, be said that widespread studies were not needed in order to learn that the problems facing Canada in the foreign and defence areas are in broad dimension those that we have faced for some time—global and regional tensions, under-development, and economic disruptions. Nor to know that Canada's objectives have not varied much; we still seek a peaceful and secure world fortified by a general economic stability which will permit men and women everywhere to pursue the individual dignity which is their natural right. Fresh studies were needed nevertheless to review some of our traditional positions. They were needed because the breath-taking pace of change in this decade, whether measured in technological, demographic, or economic terms, has so altered the complexion and the scope of those problems, and so emphasized the desirability of those objectives, that we are in a very real sense in a new world.

[*English*]

What the government is seeking in the review, therefore, is something more than a catalogue of current problems, useful though that would be. We are attempting to learn whether Canada, by reassessing in a systematic fashion its own and the world situation, may play a more effective role in pursuing its objectives. We want to be sure that we are doing, so far as we are able, the right things in the right places. Canada's resources, both human and physical, are immense, but they are not limitless. We must establish priorities which will permit us to expend our energies in a fashion that will best further the values that we cherish.

We do not further those values by withdrawing from the world, nor will this government ever suggest that we should. But neither do we further those values effectively by needlessly fragmenting our efforts, by doing things that others can and should do better. Above all, we accomplish nothing by refusing to recognize that in the past two decades there have been changes in the world and in Canada which demand fresh policies and adjusted viewpoints.

In some respects, Mr. Speaker, it may be said that the foreign policy review is a clinical test of Canada's maturity. The policies that are being examined were formulated and pursued over a period of time that can only be described as an outstanding chapter in the history of this country. Canada's contribution to the betterment of international relations in the post-war era is one of which all Canadians are justifiably proud. But the record of that period reveals that Canada's efforts were successful largely because of our ability to innovate, to meet new problems with new solutions, and to be aware that the world is a constantly changing place.

The man whose name is associated with brilliant statesmanship by millions of people around the globe, the Canadian who rightly earned for this country a proud place in the councils of the world, and was honoured with a Nobel Peace Prize, did not achieve his success by adhering stubbornly to old policies. Incidentally, Mr. Speaker, the Right Hon. Lester B. Pearson is today celebrating his 72nd birthday in Tokyo where he is still exercising a service for the benefit of the world community. Had Mr. Pearson not approached new problems with new solutions, we would not regard him now with the respect he so richly deserves as a servant of peace.

And so it is today. Canadians must be prepared to face the world of actuality, the world of 1969.

We begin with the realization that we in Canada are in a relatively happy and unusual position. Not since Confederation has there existed a viable threat to our territorial integrity. The good fortune of geography has removed Canadian territory from physical contact with wars elsewhere; the good fortune of history has given us land frontiers with only a single, friendly nation. But we must remember that while there may be no present threat to Canada's territorial integrity, we are not able to say that there is no present threat from without to Canada's physical security. Should a major world conflict break out it will not likely involve territorial aggrandizement at Canada's expense, but it could easily involve mass destruction within Canada.

• (3:10 p.m.)

In a world as interdependent as that of today, with instant world-wide communications systems, and pre-targeted nuclear armed rockets only minutes flying time distant from all major European and North American cities, Canada's security is dependent on a peaceful world. Our efforts to

achieve such a world are therefore a necessity; they should be made as effective as possible. Physical security now, and in the long run, can be secured only if the nations of the world recognize that certain conditions must obtain. I believe that there are five such conditions; in the long run the final three offer the only hope for lasting security.

1. Prevention of the erosion or serious imbalance of the nuclear arms stalemate which has so far been successful in deterring a nuclear holocaust;

2. Co-operation in preventing, or in promptly settling conflicts of a nature that might, by their location, escalate into nuclear war;

3. Participation in international peacekeeping forces and in non-military initiatives which will foster trust and strength in international conflict-resolution procedures and in an effective system of world order;

4. Dedication of adequate resources to the study and negotiation of arms limitations and disarmament agreements;

5. Contribution of an increasing percentage of national resources to activities which are designed to relieve or remove such causes of unrest as economic insecurity.

These conditions must prevail in the international community if mankind is to survive the 20th century. International mechanisms now exist to co-ordinate and further activities leading to these ends; they deserve and require the support of all governments, of men of all political leanings.

The Canadian government must consider which of these five conditions is deserving of the greatest expenditure at any given time, and toward which Canadian activity can be most effectively directed. Because none of the conditions can obtain through the efforts of any single nation, Canada's decisions in these matters must be taken after consultation with other states in the world community, but not necessarily with the same states in each instance.

[*Translation*]

The foregoing, Mr. Speaker, are some of the foreign policy considerations which are particularly pertinent to any discussion or evaluation of a Canadian defence policy. They make obvious the requirement that the defence policy of a country such as Canada must not be permitted either to estrange itself from its foreign policy or to become the dominant influence in that policy. Still more important, our defence policy must not become totally dominated by any single military consideration or alliance. The broad foundation of all Canada's external relations must be its foreign policy. Flowing out of that foreign policy—and as a part of it—is our defence policy. The defence policy in turn will determine the nature of our military alliances and the deployment of our forces.

Described in these terms, it becomes apparent that Canada's NATO relationship is not, primarily, a military decision. It is a political decision. As such the Canadian government is acting in a responsible fashion when it observes that the European members of NATO now have a combined population of 300 millions, and a combined Gross National Product of 500 billion United States dollars. The remarkable post-World War II recovery of the states of Western Europe has increased considerably their capability of defending their own region. This increased capability in turn reduces the present need for a sustained Canadian military contribution.

I might emphasize as well that, apart from the United States, Canada is at present the only member of NATO which is carrying out an extensive NATO military role on two continents. In summary, we feel that Europe, twenty years after NATO, can defend itself better and we hope that NATO's European member countries, with the support of the United States and Canada, can reach some agreement with the Warsaw Pact countries to de-escalate the present tension. For our part we are not now advocating a reduction of NATO's total military strength, although we hope that this may become possible, but a readjustment of commitments among NATO members.

It follows, and our defence review has made it clear, that a Canadian military presence in Europe is not important so much on the grounds that we fulfill a military role as we do a political role. We contribute in some measure to the "resolve" of the organization; to the will of the Alliance to respond to any aggression. This being the case, the Canadian military function in NATO may be seen to be a manifestation of our political policy.

This is consistent with one of the important roles of NATO, which is political—the accommodation with the Warsaw Pact countries of the outstanding differences between the two alliances and agreement on arms controls and arms limitation.

It is this search for détente which is one of the compelling reasons for remaining a member of NATO. Quite apart from any military

role, there is, we believe, an important political role for NATO and for Canada within NATO in this attempt to remove or reduce the underlying political causes of potential conflict through steps toward political reconciliation and settlement.

The government's NATO decision is based on the belief that, during the forthcoming years, there are better uses of the Canadian forces, and that there are better political means of pursuing our foreign policy than through a continued military presence in Europe of the present size. For this reason we propose a planned and phased reduction.

[*English*]

The maintenance, Mr. Speaker, of the five conditions that I mentioned a few moments ago remains our objective: nuclear stability, resolution of conflicts, peacekeeping, disarmament, and economic assistance. It is in an attempt to further these conditions in a rational and effective fashion that the government has taken its first decisions in the defence policy area. We have undertaken the development of a defence policy based on Canada's interests and place in the world, a policy which will at the same time be supported by Canadians generally and accepted by our friends and allies.

Those aforesaid decisions I have already announced. They appear as an appendix to *Hansard* for Friday, April 18. They mean that this government is willing to state that the efforts expended in search of a secure Canada and a peaceful world in the last 25 years are in some ways inappropriate for the next 25 years. And they mean that following the same careful type of study and with the same resolve that launched Canada in 1945 into a then new and effective role in the world, we believe Canada is now on the threshold of another new role. This does not mean, however, that our present posture or our present attitude must necessarily be totally changed.

• (3:20 p.m.)

It is obvious from the foregoing that the government has rejected, for example, any suggestion that Canada assume a non-aligned or neutral role in the world. To do so would have meant the withdrawal by Canada from its present alliances and the termination of all co-operative military arrangements with other countries. That would be wrong; it is necessary and wise to continue to participate in an appropriate way in collective security arrangements with other states in the interests of Canada's national security and in defence of the values we share with our friends.

The precise military role which we shall endeavour to assume in these collective arrangements will be a matter for discussion and consultation with our allies and will depend in part on the role assigned to Canadian forces in the defence of North America in co-operation with the United States. They will be consistent as well with our belief that, as a responsible member of the international community, we must continue to make forces available for peacekeeping roles.

I wish to pause at this point, Mr. Speaker, to emphasize that the government's decision should not in any sense be construed as a criticism of the personnel of the Canadian forces. We are all here aware, and take justifiable pride, in the high degree of professional ability which these forces demonstrate in their NATO roles in Europe and on the North Atlantic ocean.

Some hon. Members: Hear, hear.

Mr. Trudeau: The air division, the mechanized brigade, and our maritime force are first-class formations and carry out their respective NATO missions superbly. They set a standard of performance which other NATO forces find difficult to match.

Some hon. Members: Hear, hear.

Mr. Trudeau: The government has not the slightest doubt that this same high standard of performance will continue to be observed by the Canadian forces in the new roles which will be assigned to them.

[*Translation*]

Measured in terms of nuclear weapons and destructive capacity, Mr. Speaker, the threat to the continued existence of mankind is incomparably greater today than it was in the nineteen forties. In the early days of NATO it was said that the West could not wait for political settlements, but had to tackle first the security issue.

That remains true. Equally true, however, is the statement that we cannot wait for solutions of the security issue without at the same time accelerating our efforts toward political settlement, and particularly arms control.

In all history, arms by themselves have never guaranteed security for long. And just as there is no single cause of conflict, so is there no single technique of arms control. The present balance of deterrents is an absurdly

unsatisfactory substitute for real security. A more stable alternative is necessary.

Coincidental with the search for a solution to this military problem is the necessity that nations recognize the social pressures now building up around the world. We cannot ignore the forces of history now on the move in Asia, Africa, and South America. It is the sorry record of mankind that, through history, there has always been recurring resistance to arms control and the avoidance of violence as a means of change; and of the failure to recognize promptly social elements which cry out for relief.

Our goal must be one of an international world community which controls conflict but which at the same time permits elements in the community to satisfy their need for change and progress as circumstances require. A balance must be struck between the demands of nations and the needs of the world community. In order to ensure opportunity for such a balance, we must imaginatively and resolutely seek arms control and disarmament agreements.

Canada's record at the Eighteen Nation Disarmament Conference is an outstanding one. The contribution made by General E.L.M. Burns is likely unsurpassed by that of any other single person. It is the intention of this government that our foreign policy should provide for a growing investment of intellectual resources in this important area, and that one of the most important foreign relations tasks in which Canada is engaged is that which is directed to arms limitations and disarmament.

We think that our defence policy decisions are consistent with this scheme of priorities. We believe that a careful evaluation of Canada's present NATO military commitment, including the tactical nuclear role now assigned to our forces is a necessary first step. Our acts must not be shown to be inconsistent with our aims. Underway at the moment is an examination of the means by which our new defence policy will be instituted in order to meet these aims.

[*English*]

The world, Mr. Speaker, is embarked upon a revolutionary period which dwarfs by comparison the changes of the past centuries. Our era combines a technological revolution with a revolution of rising expectations of billions of persons who for the first time in history are projecting themselves to the forefront of our consciences as they seek their proper place in the international community. This is the excitement, this is the challenge, recognized by so many of our youth. This is the need which tens of thousands of young persons in Ottawa and Hull alone recognized last Saturday as they participated in the "Miles for Millions" march.

Some hon. Members: Hear, hear.

Mr. Trudeau: We as Canadians would not be fulfilling our potential for good if we remained aloof from these events. This government intends to reorganize our resources and our energies to play a role in the world as it is, not to dream of things as they were. Those in this house and elsewhere who say that our defence policy represents a turn toward isolationism are proclaiming only that, in their fixation on old wars and on old problems, they are isolated—isolated from the world of now and the world of the future.

Mr. Lambert (Edmonton West): You wouldn't know.

Mr. Trudeau: Canada has the opportunity to play a role in the world of today, Mr. Speaker, a role which, hopefully, will act as an incentive to other like-minded states, a role which will emphasize the need to devote energies to the reduction of tension and the reversal of the arms race—

Some hon. Members: Hear, hear.

Mr. Trudeau: —a role which will acknowledge that humanity is increasingly subject to perils from sources in addition to an east-west conflict centred in Europe, and which will permit us to make the intellectual and resource investments necessary to do our part to meet those perils. This is why we are insisting that our defence policy be directed by our foreign policy, and not vice-versa. This is why we are placing emphasis on imaginative concepts of assistance to developing countries. This is why we are insisting that our defence policy be rational and not a rationalization.

• (3:30 p.m.)

The government, Mr. Speaker, recognizes that the challenge of future world social and political events will not be met by a stagnant, cautious attitude. We must anticipate, not react; we must think, not conform; we must have courage to discard conventional wisdom in our quest for a secure and peaceful world. If this requires change, so be it.

Mr. Lewis: Amen.

Mr. Trudeau: To those who will tell me that this is not the time for change—tomorrow perhaps but not now—to them I refer to the nostalgic lyrics of the popular song "Those were the days, my friend, we thought they'd never end." They did end, Mr. Speaker. In the history of mankind, many days have ended and those who have been unprepared to adapt to new forces have ended with them. We do not propose that fate for Canada and our civilization. We on this side are saying to Canadians: "These are the days, my friend".

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, perhaps I might begin by suggesting that this is not one of the Prime Minister's better days. We have heard a lot of general discussion this afternoon and a lot of high-flown sentiment, most of which I suggest really has nothing to do with the motion before the house. The motion asks us to support continued Canadian participation in NATO, which we do. It also asks us to support the intention of the government, in consultation with our allies, to take early steps to bring about a planned and phased reduction of the size of Canadian forces in Europe. Those words could mean that only 12 servicemen will be left in Europe, that only 12 servicemen will be brought home from Europe, or anything in between. That is exactly what this resolution was designed to do, to mean anything anybody wants it to mean.

Is this the way honest men in government, to use the Prime Minister's self-portrait in Calgary, state their policy? Is this the way a responsible leader of government tells Canada and the world what is the intent in respect of Canada's foreign and defence policy, by making statements deliberately intended to mean different things to different people? This tactic would only be justified, sir, if it confused our enemies as much as it confuses the people of Canada.

Some people say that this technique is extremely clever, that it is cute and is smart politics, but I thought this was the age of meaningful dialogue between the government and the people. I thought this was to be a participatory democracy and that people were going to be plugged into the political process and the process of decision-making. I thought the dominant characteristics of the just society in the relationship between the government and the people was to have been a rigorous, intellectual honesty. Some intellect and some honesty, Mr. Speaker! Not even Mackenzie King at his most devious, or Jack Pickersgill with his bag of tricks, would have tried to mislead and confuse the country to the extent now being attempted by the present Prime Minister (Mr. Trudeau). It is just not credible, it is just not believable, that the government has formulated a policy of making a planned and phased reduction of our forces in Europe without having come to some decision as to how big a reduction will be made, what kind of a reduction is likely and what the timing will be. Even the Liberal backbenchers do not believe that. They have to pretend they believe it, but we do not.

The Prime Minister says the government has not decided on how big a reduction, what kind of reduction or what the timing will be. Then what are we being asked to vote on in this motion? It is a nothing motion designed, as I said, to mean anything anybody wants it to mean. I feel sure it means something different to the Minister of Communications (Mr. Kierans) than it does to the Secretary of State for External Affairs (Mr. Sharp). I do not know why the Prime Minister bothers to dissemble in the way he does. He would not have any trouble with this cabinet. If he were to decide to join the Warsaw Pact I am sure the Secretary of State for External Affairs would rationalize that decision for him. These cabinet members are as docile a bunch of kittens as one could find anywhere, and when the Prime Minister puts his tongue in his cheek at his press conference and told how "strong men have strong opinions", you could have heard them purr.

As to the timing of the reduction and the method of bringing it about, of course the statements of the Minister of National Defence (Mr. Cadieux) and the Secretary of State for External Affairs have been contradictory. Both of them have contradicted the Prime Minister and the Prime Minister has contradicted both of them. Now the Prime Minister has contradicted himself. On April 3, at his press conference, the Prime Minister said:

> The Canadian force commitment for deployment with NATO in Europe beyond this period will be discussed with our allies at the meeting of the defence planning committee of NATO in May.

He meant beyond the year 1969. Later at the same conference the Prime Minister said in reply to a question:

> We intend to go to the alliance in May and say that this is what we want to do with our forces.

A week later the Secretary of State for External Affairs was in Washington and at a

press briefing given by the minister at the Canadian embassy he was asked when the Canadian government was going to tell NATO what is proposed by way of reduction and, quoting from the transcript, he replied:

Mr. Sharp: The Prime Minister announced that at the meeting of the defence planning committee that the plans of the Canadian government would be laid before the defence ministers.

Question: So the decision is going to be taken before the meeting?

Mr. Sharp: Well, obviously.

Then we come back to the House of Commons and on April 14 the Prime Minister said, no, that is not right, the decision will be taken before, and the final decision will be made in August of this year. Just two days later the Minister of National Defence said the discussion would go on until December of this year before there was any final decision.

• (3:40 p.m.)

The Prime Minister succeeded in further shrouding the whole subject in mystery in his Calgary speech when he said:

And that is why we will not say, until our foreign policy has been determined and presented to parliament, and presented to the country—we will not say, in a final way, what forces we will put into NATO and what forces we will draw out of NATO.

That sounds like one of the statements on bank deposits by a former minister of finance. But unfortunately it does not enlighten us very much on the question of defending Canada or the free world. The Prime Minister explained that this process of policy review would be a long one. If we have to wait until it terminates, and if it is as long as he indicated in Calgary it would be, the Nato allies will not get any firm proposition from the government and we will not be told about it in May or August and probably not in December.

We all know that the Prime Minister went out west to ski, but some of us have the impression that he did some pretty fancy skating while he was in Calgary. The point is, how can anybody in Canada or in the world at large now have the slightest confidence in anything these gentlemen say about their plans in this respect?

Some hon. Members: Hear, hear.

Mr. Stanfield: Having allowed for the attempt to confuse people, including his own colleagues, as to what the policy actually is, and leaving aside the very obvious ignorance of his own responsible ministers as to what this policy is and when it is to be determined, what do we have as a basis for judging the policy intentions and policy directions of this government? Principally, we have the Prime Minister's statement of April 3, his Calgary speech of April 12, and what I would call his non-speech of today in terms of further enlightening us on this matter.

I mean no offence to the Secretary of State for External Affairs or to the Minister of National Defence when I say that their utterances on this subject are of minimal importance, because like the rest of us they have to study the Prime Minister's speeches and then read Anthony Westell's column to get an idea of what the policy is going to be. The Prime Minister said in Calgary:

I think the people in the armed forces have a right to know where we are going.

That is one sentiment we can all heartily endorse. When they find out, let us hope they will tell the rest of us. The Prime Minister, no doubt after long reflection, has concluded that foreign policy comes before defence policy, that defence policy must flow from foreign policy. This, of course, is a vast oversimplification; the two obviously must be interrelated. It would be virtually just as foolish to develop a foreign policy without regard to defence policy as it would be to try to develop a defence policy without regard to foreign policy. They must be interrelated. The Prime Minister pronounced a geometric theorem in Calgary, and I quote him again. I hope he is flattered by all the careful attention I have given to his comments there. The Prime Minister said:

—NATO had in reality determined all of our defence policy. We had no defence policy, so to speak, except that of NATO. And our defence policy had determined all of our foreign policy. And we had no foreign policy of any importance except that which flowed from NATO.

It reads almost like the Old Testament, Mr. Speaker.

Some hon. Members: Hear, hear.

Mr. Stanfield: Euclid himself could not have evolved a theorem more clearly designed to demonstrate the incompetence of previous Liberal administrations in this country. When the Prime Minister of Canada says that we had no foreign policy of any importance except that which flowed from NATO, I say to him that is not so. I say to him that is a slander on the man he attempted to praise here today.

Some hon. Members: Hear, hear.

Mr. Stanfield: It is a slander on the many and varied constructive roles that the Canadian people and Canadian governments have played in world affairs and in furthering world peace in the last 20 years. The Prime Minister says our foreign policy is under review; it is not yet determined and it will not be determined for a long time. He is going to be very careful about it. Foreign policy, says the Prime Minister, must determine defence policy. But foreign policy is not yet decided. Therefore anyone as naïve as I am would assume that defence policy will not be decided until foreign policy has been decided.

But in the same speech in Calgary the Prime Minister indicated that he and his government had settled upon four priorities of a new defence policy. They had not settled their foreign policy but they had settled the four basic priorities of a new defence policy. The emphasis was to be put, first, on the defence of Canadian sovereignty. I do not know what that means, but "sovereignty" seems to be a word that fascinates the Prime Minister. The emphasis was to be, second, on the defence of Canadian territory and continental defence; third, on our association with NATO and, fourth, on U.N. peacekeeping. These were the four priorities of a new defence policy announced by the Prime Minister.

The government has decided to redeploy, not reduce, troops to give effect to the new order of priorities, to this change in emphasis in our defence policy. I emphasize that at the press conference the Prime Minister, referring to NATO and NORAD, said that the total number of troops committed to these two alliances is not being reduced by virtue of Canada's present action. Do not let anybody misunderstand what we are talking about. We are not talking about reducing military expenditures and making that money available for other purposes. We are talking about a redeployment of the defence forces which are to be maintained. We are not talking about anything more than that at the present time.

The change is from emphasis on a wider defensive alliance to emphasis on continental or territorial defence. What other interpretation can be placed upon the priorities outlined by the Prime Minister in his statement of April 3 and repeated in his speech of April 12? Having made this decision, having changed the priorities of defence policy, having changed the emphasis of our defence effort and our military alliances, where does this leave the Prime Minister's declaration that defence policy flows from foreign policy and that foreign policy is still under review? Mr. Speaker, the Prime Minister has made nonsense of his own statement.

Some hon. Members: Hear, hear.

• (3:50 p.m.)

Mr. Stanfield: The Prime Minister has announced that we will reduce our defence participation in Europe and increase our participation in North America. How has this change in defence policy come about? From what new foreign policy does it flow? What changes have there been in our foreign policy that dictate this change in our defence policy? The only change in our foreign policy of which I know is that there has been talk of exchanging representatives with the Vatican. I do not know what redeployment of defence forces this would involve. I know also that initiatives are being taken to establish diplomatic relations with Peking. Does this mean that the Minister of National Defence is going to blast his way in to Peking or, failing that, into the Vatican?

There is not the slightest connection between this new defence policy and the new foreign policy that has been indicated. The Prime Minister is just playing with words. He has not been able to demonstrate that a Canadian soldier on Canadian soil will make a more effective contribution to the security of Canada than a Canadian soldier now with NATO in Europe. The Prime Minister has not been able to demonstrate that increasing our participation in continental defence in partnership with the United States will contribute more to world peace, world security and Canadian security than our broader and wider partnership including European countries. Surely these questions go to the very heart and soul of Canadian foreign policy.

What are the new considerations in foreign policy that have led to this change in emphasis in our defence policy? We do not know. The Prime Minister has not told us about the changes in foreign policy, if there are any. He has criticized past methods of developing foreign policy. He says that they were dictated by the defence decisions made by the governments of the day. I presume the truths announced by the Prime Minister are not only eternal but apply to himself as well. Yet here we have the Prime Minister of Canada today determining a new defence policy before he has determined his foreign policy.

Are we to assume that the new foreign policy will flow from the new defence policy which he is working out before he has worked out his new foreign policy? How are we to judge the worth of this new defence policy? The burden of proof is certainly on the government. Surely they have to demonstrate, or at least present some semblance of an argument, that we can make a better contribution to Canadian security and world peace by reducing our role in Europe at this time, on the one hand, and increasing our role in North America, which is the other side of the coin presented by the Prime Minister. After all, this is really what he was saying in his statement of April 3 and in his speech of April 12. There is no indication at all that the purpose of the change is to reduce the defence budget or to reduce our defence forces. Indeed, may I remind the house again that the Prime Minister specifically denied that this was the purpose of what he was announcing, although my good friend, the Secretary of State for External Affairs, tried to say the opposite when he was in Washington, pretending that the reason for the NATO reduction was that we needed the money for national development.

I have to say regretfully that this is another instance of the sort of double-talk that is going on which creates confusion among ourselves and distrust among people we have always regarded as our friends.

Some hon. Members: Hear, hear.

Mr. Stanfield: What we are talking about then is the redeployment of defence forces, a shift in our defence commitments. It has nothing to do with Canada's economic problems, with foreign aid or with national development, and I would like someone on the other side of the house to tell me how the announcement made by the Prime Minister will contribute in any way to the establishment of the five necessary conditions to peace. In what way will this country be any better off in making a contribution toward these five points by simply shifting troops from a broader based alliance to our own territory within the framework of North American security?

What can be said for a redeployment of our defence forces a shift in our defence commitments? First of all, it does not flow from any new foreign policy. Second, it has not been demonstrated that it will make a better contribution to the peace of the world or the security of Canada to reduce our participation in Europe and increase our participation in North America. The Prime Minister also announced:

> —to the extent that it is feasible we shall endeavour to have those activities within Canada which are essential to North American defence performed by Canadian forces.

If this is going to have any meaningful significance, including the provision of what the Prime Minister has called "an effective multi-purpose maritime coastal shield", the cost will be many million dollars more than our present expenditures on NATO.

The Prime Minister has not disclosed any new considerations of foreign policy that would justify this change. I ask every member of this house very seriously: How can Canada make a better contribution by drawing farther away from a more broadly based alliance including European countries and closer to defence integration with the United States? The Prime Minister spoke in Washington of what it is like to sleep with an elephant. It is clear he would not enjoy sleeping with an elephant.

An hon. Member: Would you?

Mr. Stanfield: I cannot imagine why he would want to marry the elephant.

What is Canada trying to prove by this unilateral decision? What contribution does this decision make to the alliance of which we have been a part and to the peace of the world in general? This year is the 20th anniversary of NATO, and the countries of NATO are discussing among themselves the over-all structure and strategy and the objectives of NATO. From this kind of discussion might well flow logically a discussion of how each member can best make a contribution in the future to NATO's agreed objectives. Certainly there is room for improvement in NATO, a full realization of its broad purposes in addition to its military role, the achievement of social and economic purposes. Certainly we on this side of the house are just as interested in a détente as my hon. friends opposite, but we do not think that we improve our chances of achieving a détente by weakening our position. I suggest that Canada will not have a very meaningful role to play in the kind of discussions now going on in NATO because the government of Canada has already decided to reduce its contribution and to demote NATO on its list of priorities.

There has been some discussion of a détente between the east and the west, some hope of a mutal de-escalation of forces on the part of the Warsaw Pact countries and the

NATO countries. I suggest that the Prime Minister has weakened the prospect and perhaps postponed the détente by embarrassing NATO and by placing it in a position where it would have a somewhat weaker negotiating hand if it entered now into discussions with the Warsaw Pact countries.

I am not merely talking of the troops we are withdrawing, which are perhaps marginal in the over-all picture. I am also talking of the psychological damage done to the alliance. Six years ago the right hon. Mr. Pearson put it in this way:

> Today, defence policy is based more on the interdependence, than the independence, of nations. No country can defend itself alone. The only security, especially for a country like Canada, lies in collective action through a defensive alliance such as NATO, which rests, or should rest, in so far as its military side is concerned, on a pooling of strength.
>
> Canada . . . must do nothing to weaken continental or NATO collective policy and action, while insisting that this requires full and continuous consultation between partners. Otherwise the defence coalition will not survive and the defence policies of its members will go their separate ways, along with their foreign policies.

To the extent that the alliance to which we belong is broadly based, there is somewhat less risk of a unilateral confrontation between the two major powers.

• (4:00 p.m.)

It is surely in the interest of Canada to strengthen the NATO alliance rather than increase emphasis on some concept of preserving Canadian sovereignty in a system of North American defence. Analogies are dangerous, of course, but I suggest we should be delighted, if we were not so dependent on the United States economy to have involved with us in an act of alliance a number of countries so that we would not be in bed alone with that big elephant the Prime Minister does not enjoy sleeping with. These and other advantages of NATO justify the continued expenditure of Canadian funds to maintain this Canadian commitment.

I suggest that no alternative the Prime Minister has put forward is credible. No alternative which he put forward in connection with the five goals he has established is credible. We know a committee of the House of Commons found that the role of Canada in NATO ought to be maintained. Certainly there is always room for discussion and improvement. NATO is not perfect; I do not know of any perfect institution in the world, Mr. Speaker, not even the Liberal party.

We could be neutral of course, and unaligned. The Prime Minister has properly rejected neutrality as a policy for Canada. But if we choose, as the Prime Minister says we have chosen, to reject neutralism and belong to alliances, why does the right hon. gentleman wish to downgrade the broader alliance and bring us into more intimate association with a continental partnership, and to do so probably at a greater financial cost and at the cost of some influence in a broader sphere? At this point we come face to face with the truth about the Prime Minister's philosophy in this regard. His concept is that of a "fortress America". It contains two ideas which most Canadians long ago rejected—isolationism and continentalism.

Some hon. Members: Hear, hear.

Mr. Stanfield: During the election campaign the Prime Minister spoke grandly of abolishing concepts of foreign policy which were 20 years old. He returned to the same theme today. Who would have thought he would try to replace those 20-year old concepts with concepts which are 40 years old or more?

Some hon. Members: Hear, hear.

Mr. Stanfield: To younger people especially, who expected imagination and creative new leardership from the Prime Minister, the disappointment is nowhere greater than in the area of foreign policy. The right hon. gentleman uttered a monotonous series of legalisms to avoid any effective role in assisting in connection with Biafra. At the Commonwealth Conference, Canada played the most insignificant role it ever has in the history of that organization. Now, in the words of Professor Peyton Lyon, the Prime Minister and I quote:

> —has repudiated the best in our diplomatic tradition and revived the most shortsighted and shabby. His invocation to worship at the shrine of national sovereignty is nothing less than a call to return to the self-centred and ultimately disastrous isolationism of the inter-war period.

Some hon. Members: Hear, hear.

Mr. Stanfield: I remember that period, Mr. Speaker, and so does the Prime Minister. This is a philosophy which is illiberal and reactionary and therefore, seconded by my friend, the hon. member for Peace River (Mr. Baldwin), I move:

> That the motion be amended by deleting the words "the Government's policy of," and by deleting everything after the word "and", and adding the following:
>
> "strongly condemns the retreat from internationalism to isolationism contained in the Prime Minister's statement of April 3 and his speech of April 12."

NATO

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, today the house is being asked to place its stamp of approval on the NATO policy statement which was made by the Prime Minister on April 3 last and which he repeated with some embellishment today.

I think it is significant that the statement the Prime Minister made on April 3 was made on the day after parliament recessed. The Prime Minister seems to have adopted the de Gaulle technique of bypassing the elected representatives and facing the television cameras which are not capable of answering back. The statement the Prime Minister made on that occasion and the statement he has made today are in reality statements of no policy. He says, first of all, that the government proposes that Canada should remain in the NATO alliance. That constitutes no change. He says, in the second place, that in consultation with our allies there is to be a planned and phased reduction of our NATO forces in Europe. But when the Prime Minister was asked in the television interview which followed his statement when this would take place, he replied that he could not say. He was asked about the extent to which our forces would be reduced, and again he replied that he could not say. This was phase one, he explained, and we would have to wait for phase two. Mr. Speaker, how can we judge phase one if we know nothing about phase two?

I have been watching the Prime Minister for the last 12 months while he has been in office and I have been impressed by the extent to which he has reminded me of the late William Lyon Mackenzie King who once conducted a referendum in this country on the question, "conscription if necessary, but not necessarily conscription." The Prime Minister's policy now is "reduction if necessary, but not necessarily reduction"—referring, of course, to our forces in NATO.

When we consider the statement the Prime Minister made today, discounting all its meaningless banalities and tired clichés, we find that the government really proposes no major change either in foreign policy or in defence policy. The Prime Minister tosses off phrases such as "We must think and not conform" or "the time has come for change, we must not fear change", but what change do we find here? To what change has the government actually committed itself? Absolutely none. The Prime Minister's decision means that we will remain in NATO and that at some indeterminate time there will be, possibly, some indeterminate reduction of Canada's forces in Europe. Surely this is not the kind of challenging, adventuresome policy the Prime Minister was talking about one year ago.

[Mr. Stanfield.]

• (4:10 p.m.)

As a matter of fact, the Prime Minister once again put the cart before the horse in his statement. When speaking in Calgary on April 12 he said that "it is a false perspective to have a military alliance determine your foreign policy." But this is precisely what the government is doing. While it professes to be waiting for a review of foreign policy it has committed itself to NATO and NORAD, thereby limiting its ability to deal effectively with its other obligations and opportunities in the field of foreign policy.

The Prime Minister has given us the usual list of vague generalities which are supposed to pass for a Liberal foreign policy. He has talked about nuclear imbalance, co-operation in settling international conflicts, an international peacekeeping force, arms limitation and foreign aid. These are precisely the goals set out by his predecessor six years ago. They are precisely the kinds of things Liberal spokesmen have been talking about for 20 years.

An hon. Member: What about Cyprus?

Mr. Douglas (Nanaimo-Cowichan-The Islands): But policies and programs so vaguely outlined in general terms have not been followed up. There has been no carry-through.

The Prime Minister said we must do the right things in the right places. Having committed himself now to NATO and to retaining Canadian troops in Europe, to what extent has he been limited and restricted? Has his ability to do the right thing in the right place not been restricted?

As the first N.D.P. spokesman this afternoon I propose to advance three basic propositions. First, Canada should withdraw all its military forces from Europe. Second, Canada should insist on a reassessment of NATO's role in world affairs. Third, Canada should place its major emphasis on promoting and strengthening those international organizations and agencies most likely to foster world peace and security. At the conclusion of my remarks, Mr. Speaker, I propose to move a subamendment to inculcate the three basic propositions I now propose to argue.

First, I say that the time has come for a complete withdrawal of Canadian troops from Europe. It should be remembered that when Canada signed the NATO agreement in 1949 that did not impose any obligation on us whatsoever to maintain armed forces in Europe. As a matter of fact, not until the Korean War broke out in 1950 was the question of sending Canadian troops to Europe raised. Although we had signed the NATO agreement, our defence expenditures in 1950 were still in the neighbourhood of $300 million. They have now risen to about $1,800 million.

When Canadian forces were sent to Europe they were sent there to meet an emergency situation. No government spokesman suggested at that time that what was being done constituted a permanent obligation on the part of Canada to continue maintaining armed forces in Europe. There was a good argument for sending Canadian troops to Europe in 1950 and 1951. They were sent there to strengthen NATO ground forces, and their presence lent military support to NATO. That situation has altered radically in the last 20 years. I submit that what made sense in 1949 does not necessarily make sense today. In 1949 there was a great, monolithic Communist empire stretching throughout a great part of the world. Today that Communist monolith has been fragmented. There is a split between the Soviet Union and Mainland China. Eastern European satellites are no longer as responsive to Kremlin orders as they were at one time. Yugoslavia has broken away; Rumania and Czechoslovakia have been seeking closer ties with the west. There is greater demand on the part of eastern European countries for a détente than there was 20 years ago.

Some argue that the action of the Soviet Union last August shows that there is still a great threat of Communist aggression. I think the invasion of Czechoslovakia was not a sign of Russian strength but of Russian weakness. The fact that the Russians had to display their hand and the fact that they had to keep their satellite in line by the use of force indicates that this great structure of World Communism is no longer as united or monolithic as it once was.

It should also be remembered that western Europe is no longer prostrate and defenceless as it was 20 years ago. I visited Germany in 1945, in 1948 and again in 1951. I flew there with a group of parliamentarians. As a matter of fact, I visited Berlin during the blockade and the R.A.F. flew us in. Without doubt Germany at that time was open to any aggressor and there was a need to strengthen NATO forces in Europe. That concept made good sense and we supported it. Today West Germany is the third most powerful military nation in the world. As the Prime Minister himself admitted, the populations of the NATO countries in Europe number some 300 million people with an annual gross product of $500 billion. It is therefore farcical to say that one Canadian brigade and six Canadian fighter squadrons are essential for the safety of western Europe.

The fact that France, which has been invaded three times in the last 100 years, has withdrawn its troops from NATO command shows that the situation in Europe is not what it was 20 years ago. Canada is neither a European nation nor a great power. I feel that we are going along with NATO because of our ingrained habit of tagging along behind the United States or Great Britain, or both. We have developed this habit of paying our dues so that we can belong to the NATO club. I suggest these are expensive dues and the money could be used in more meaningful ways to promote peace and security throughout the world.

It should be remembered that conventional forces are far less important now than they were when NATO was formed. Nuclear missiles have now produced what Sir Winston Churchill called the balance of terror. The two great superpowers have the ultimate weapons of destruction. These will largely be the deciding factor in determining the future of mankind. In this nuclear confrontation the United States, as the leader of the western powers, has an advantage in strategic weapons of four to one and in tactical nuclear weapons of seven to one.

• (4:20 p.m.)

I submit, Mr. Speaker, that every argument that has been put forward by the Prime Minister for a phased and planned reduction of our forces in Europe argues logically and rationally for a withdrawal of our forces from Europe. The Prime Minister himself has stated that we do not have a military but a political role. If we have no military role and mainly a political role, why then should we continue to maintain a force in Europe which is no longer required under the present circumstances? The money to support such a force might better be used in other fields of international affairs.

The second point I want to argue is that Canada should insist on a reassessment of NATO's role in world affairs. NATO has become solely a military alliance. From time to time gestures are made in the direction of Article II dealing with economic programs, but nothing is done. We have allowed NATO to be permeated almost exclusively by military thinking. The time has come to reassess its political role in bringing about a détente and military disengagement in Europe.

I suggest as far as NATO is concerned that we have developed a Maginot line complex. We have reached a stalemate in which the only solution is to pile up more arms and more military forces or to find some way out of the dilemma. It takes one back to the pre-1914 days when the triple entente and triple alliance faced each other in Europe, each building bigger and better battleships and each recruiting larger armies, always with the assurance to the public that the construction of more arms was the best guarantee that the arms would never be used. This is exactly what we are doing today. Our thinking has been completely dominated by those who are interested in preserving the kind of stalemate that provides jobs for generals and contracts for military armament manufacturers.

In the New Democratic party at our successive conventions we have supported retaining our membership in NATO in the hope that Canada might be able to exercise sufficient influence so that NATO would be used as the political vehicle by which a rapprochement might be affected between east and west in Europe. I want to say, Mr. Speaker, that I personally am becoming increasingly sceptical about the ability of NATO to fulfil this role. Recently they have turned a cold shoulder on the proposal for a conference made by the Warsaw Pact Countries at their meeting in Budapest last month. In answer to a question from my colleague, the hon. member for Selkirk (Mr. Schreyer), the Secretary of State for External Affairs (Mr. Sharp) said on Monday that the NATO powers had not really turned it down. The fact is, if one reads the record that, Pietro Nenni of Italy and Willy Brandt of Germany were sympathetic to it.

Mr. Sharp: They were at the meeting and concurred.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Exactly. They were sympathetic to the idea of a conference.

Mr. Sharp: So were we.

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

Mr. Douglas (Nanaimo-Cowichan-The Islands): Others were not. We have yet to hear whether Canada was sympathetic or not. Let me point out what Canada agreed to and what was finally issued as part of the communiqué. They resolved:

> —to explore with the Soviet Union and the other countries of Eastern Europe which concrete issues best lend themselves to fruitful negotiation and an early resolution.

If that is not turning the cold shoulder on a forthright offer to hold a conference between the Warsaw Pact and NATO nations, I don't know what it is. Some will argue that the Warsaw Pact nations are just bluffing and are not sincere. That may be true, but the only way we will find out will be by going to the conference table. One has the strong suspicion that there are those who are not at all keen about going to the conference table. We will make no progress toward a settlement in Europe if we continue to accept the concept that the "enemy" must always be opposed and ignored because an ultimate military confrontation is inevitable. In my opinion, if we cannot get a reassessment by NATO of its role in the world, then I think Canada has to reconsider seriously whether its membership in NATO fulfils any useful purpose.

I believe NATO has lost sight of its basic political objectives, among which is a commitment by each signatory to strengthen and safeguard its democratic institutions. Has Greece been safeguarding its democratic institutions? Has Portugal, waging a colonial war in Angola, been safeguarding and strengthening democratic institutions? The council of ministers has been silent on this question. Our Secretary of State for External Affairs has been silent on this question. I believe the time has come when Canada must say to the NATO council of minister that if countries like Greece and Portugal are going to continue their policy of repressing democracy and freedom and are in NATO, we are out.

The third proposition I want to argue is that Canada should place its major emphasis on promoting and strengthening those international organizations and agencies most likely to foster world peace and security. Of course we must be concerned about our defence, but this must be part of our defence program and strategy. One has the uncomfortable feeling when the Prime Minister talks about Canada's defence that it is increasingly being integrated into the defence program of the United States, that we are

now not only an economic colony of the United States but are rapidly becoming a military satellite of that country. This is in spite of the promise of the Liberal government last year given by the former prime minister and former secretary of state for external affairs that nothing would be done about renewing the NORAD agreement until this house had an opportunity to debate it. The present Prime Minister did renew NORAD and it has not been debated in the house. There has been no opportunity to debate it.

• (4:30 p.m.)

According to reports we are getting from Washington we are now being tied up with the airborne warning control system, about which we have been told nothing. The statements of Defence Secretary Laird indicate that consultation has been going on about the A.B.M. system, about which we have been told nothing. More and more we are being tied into the American military juggernaut.

The Bomarc missile bases, about which the Prime Minister railed in 1963 and bitterly criticized his predecessor, are still there. If the Prime Minister, instead of the glowing phrases that he used today about peace and security, wants to prove to this house that he is sincere, he will start by carrying out his own proposition that the nuclear Bomarc missiles be removed from Canadian soil.

I want to suggest, Mr. Speaker, that Canada's major contribution, in addition to its defence of its own territory, lies in two areas of international activity. The first is that we ought to take a much more active role in the work of the United Nations, because with all its structural weaknesses, its emergence as a world arbiter offers the only real hope for lasting peace and the rule of law in the world. Canada should assume an active role by joining with other middle powers in bringing conflicts to this world organization for resolution. We should have brought the question of Biafra to the United Nations long before this, and also the question of Viet Nam. We should be pressing the United Nations for the admission of Mainland China to that body.

I am glad the government is now going to try to seek diplomatic relations with Mainland China. It is going to be hard to recover the 20 years that the locusts have eaten and to explain to the Chinese why we opposed again and again their admission to the United Nations. We could prove our good faith by heading the forces in the United Nations that are seeking to give Mainland China the right to sit in that important body.

Of course we should always be ready to supply peacekeeping forces because we in Canada are in the position that our forces would be acceptable in many parts of the world, particularly in new, developing countries, whereas peacekeeping forces from some of the great powers with colonial backgrounds would not be acceptable. That is the kind of role Canada should be playing rather than trying to imitate some of the great military powers, which we do so poorly.

Finally, Mr. Speaker, I think our second contribution in the realm of international affairs should be to help cope with the growing gap between the wealthy nations and the two-thirds of the world where people live in the direst poverty. The greatest threat to the peace of the world today lies in the widening disparity between the "have" nations and the "have-not" nations. The greatest threat to the peace of the world lies in the poverty, ignorance and disease which are all too prevalent in two-thirds of the world. Some of the billions of dollars spent on armaments over the last 20 years would have gone a long way to resolve this problem.

Today the Prime Minister almost brought tears to my eyes when he talked about the need to help the underdeveloped areas of the world. But talk is cheap. Paying lip service to helping the hungry people does not cost very much. People are judged by their deeds. By their fruits ye shall know them. That is how we judge men and that is how we will judge the government. The government pledged itself to increase its foreign aid to one per cent of our gross national product by 1970. Now that target has been pushed back until 1975. The government has not even spent the full amount appropriated by parliament each year to help underdeveloped areas.

As Mr. Escott Reid pointed out in an article recently, there are two deterrents in the world. One is a military deterrent to stop aggression and the other is a deterrent against anarchy by helping to feed the hungry, clothe the naked and lift up the fallen, but we spend six times as much on the military deterrent as we do on foreign aid. Mr. Escott Reid pleaded, and I share his views, that the time should come in Canada when our total deterrent costs ought to be in the neighbourhood of $3 billion. We ought to be able to reduce our military commitments to $1 billion and spend $2 billion on aid to help fight disease, ignorance and poverty wherever

they are found throughout the world. Mr. Speaker, it seems to me that if anything stands out as one studies the history of mankind it is that in the long run bigger armaments and more power blocs do not lead to peace, that in the long run love is stronger than hate, that kindness is better than cruelty, that the outstretched hand will do more than the clenched fist. A country like Canada, bursting with food supplies, some of which we cannot get rid of, with our great productive capacity, with our technological know-how to help underdeveloped countries to help themselves, with a generation of young people who will go to the four corners of the earth to help people as teachers, doctors, nurses, farmers and artisans, could play a major role in helping to remove what in the final analysis is the basic cause of war, man's frustration arising out of his difficulties in trying to survive.

Therefore, Mr. Speaker, I move, seconded by the hon. member for York South (Mr. Lewis):

That the amendment be amended by deleting all the words after the word "condemns" and by substituting therefor the following words:

"the failure of the government to announce the withdrawal of the Canadian forces from Europe, its failure to demand, as a condition of Canada's continuing membership in the Alliance, that NATO change its role from concentration on military measures to one of energetic pursuit of détente in Europe, and also its failure to propose a substantial reduction in defence expenditures and a large increase in assistance to developing nations."

• (4:40 p.m.)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, an amendment moved by the Conservatives and a sub-amendment moved by the New Democratic party are now before the house.

The Conservatives are vigorously protesting against the shift from internationalism to isolationalism reflected in the statements made by the Prime Minister (Mr. Trudeau) on April 3 and 12.

However, the Leader of the Opposition (Mr. Stanfield) forgot to make concrete proposals as to the part that Canada must play within NATO. The sub-amendment moved by the New Democratic party sets forth three reasons why the government is to blame. I quote:

—the withdrawal of the Canadian forces from Europe, its failure to demand, as a condition of Canada's continuing membership in the Alliance, that NATO change its role from concentration on military measures to one of energetic pursuit of détente in Europe, and also its failure to propose a substantial reduction in defence expenditures and a large increase in assistance to developing nations.

Mr. Speaker, we are not bringing in any amendment because we are prohibited from doing so under standing orders, but nevertheless we want to express our opinion on Canada's role within NATO since its inception in 1949.

A brief look at the history of NATO reveals immediately why it was instituted. In fact, the second world war lasted from 1939 to 1945, when the Russians were our allies. The allied forces won the war in June 1945.

When hostilities ended in Berlin and the Russians were not yet occupying that city, the Americans, the English and the Canadians were asked to postpone their triumphal entry into Berlin so that the Russians could take that part of the city which they are now occupying. This agreement was reached with the consent of all the countries that were members of the Alliance during the war.

However, following that memorable victory, the Russians wanted more than just a victory. They wanted to spread their economic theories, through international communism, in as many countries as possible. And this is when came the idea of uniting the North Atlantic countries into an alliance, which was to become NATO and of which Canada was to become a member, so as to ward off any possible attack from the Russians against any of the countries concerned, whether the United States, Canada or any other member country of the Alliance.

[*English*]

The North Atlantic Treaty signed in Washington on April 4, 1949 by the foreign ministers of Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom and the United States was ratified by the legislatures of the member countries within five months after signing. It came into force on August 24, 1949. Greece and Turkey joined the alliance on February 18, 1952 and the Federal Republic of Germany on May 9, 1955.

[*Translation*]

On May 9, 1955, that is about six years after the formation of NATO, the Federal Republic of Germany, where our forces are stationed at the present time, became a member of NATO.

Mr. Speaker, the avowed aims of the Organization, when it was created, were the following, and I quote:

[*English*]

In summary, the parties agreed to settle international disputes by peaceful means, to refrain

from the threat or use of force "in any manner inconsistent with the purposes of the United Nations"—

[*Translation*]

Now, at the time of the foundation of that Organization, the U.S.S.R. strongly opposed the initiative and exerted all possible pressures to disrupt it, but this could only strengthen its hope of winning over some countries signatories to the agreement.

Mr. Speaker, now, in 1969, the U.S.S.R. seems to be reaching its goal, by means of trade agreements or as a result of the attitude of the member states, and it is succeeding, little by little, in getting various countries to withdraw their forces.

For instance, France, which is directly involved, as a neighbour of West Germany, where the troops are stationed, has withdrawn its own forces. It remains a member of NATO, but has almost no men outside its territory.

Mr. Speaker, I submit that Canada, at the present time, is facing a stalemate. We are asked to withdraw our troops from Germany in order to meet the wish of the U.S.S.R.

• (4:50 p.m.)

On the other hand, the United States contend that forces must be kept in West Germany, in case of aggression. The core of the problem lies in the fact that several European countries are afraid to see the reunification of Germany.

We were told that in Russia, in 1964, when a Canadian parliamentary delegation had accepted an invitation from the Kremlin. They have a deadly fear of the reunification of Germany. France feels the same way.

In Canada, we do not know what to think about our role in NATO. As the leader of the New Democratic party, Mr. Douglas, was saying a moment ago, the Prime Minister tells us: perhaps we will withdraw our forces, and again perhaps we will not withdraw them.

Mr. Lewis: Reduce our forces.

Mr. Caouette: Reduce them, but eventually withdraw them. That is the objective that the government is trying to achieve.

Mr. Lewis: No.

Mr. Caouette: Mr. Speaker, they want to reduce our forces, but in what sense? The Leader of the Opposition, I believe, asked whether we were to withdraw 12 men from our NATO force.

Mr. Speaker, one thing is sure: Russia wants us to reduce our forces as much as possible and the United States are against it. That is the situation where the Canadian government finds itself.

The Prime Minister does not want to displease anybody, therefore, he says today that we will do something, that we should adapt ourselves to present conditions; that our foreign policy should no longer be directed by our military policy, but vice-versa.

In the past, the army brass used to tell departments, the government, how they should act, and the government obediently followed those suggestions and dictates.

Mr. Speaker, as the Prime Minister just said, we must revise our policy of participation in NATO. The Prime Minister tells us that from now on the objectives of Canada must be peace and justice in the world.

I for one wonder whether we really need to keep forces in Germany and in all NATO's member countries in Europe. I know that some countries wish their troops to remain over there. They are not interested in bringing them home. In Germany, our soldiers are actually on vacation, which costs a great deal of money to Canadian taxpayers.

I know why those soldiers do not want to come back to Canada. They are wondering what will happen to them here. "Will we become veterans? Will we have to learn a new trade? We have been in the army for the last 10, 12 or perhaps 20 years, and we have been living in Europe for five years. What are we going to do back in Canada?" Those are question they are asking themselves.

There is one fact, however, and that is that once they are back in Canada, we shall not be able to throw them on the street. We shall have to continue to pay them. As far as the Department of Defence is concerned, it will not be able to save a cent. However, the Prime Minister will be able to say that we have reduced our forces overseas.

Canada alone could not, even with its armaments and its forces overseas, maintain peace in case of aggression. With their pea-shooters and their sling-shots, I do not think that our forces are very efficient. In my opinion, peace and justice are commendable purposes, but before preaching them up to the world, we should see to it that they prevail in our own country, and set an example for the rest of the world.

U.S.S.R. is not seeking to gain ground by means of weapons, but rather by its ideology. When we visited Russia, we saw a subway

being constructed, but the Soviet government did not have, to carry out its projects, to appeal to the Washington market for funds.

We also visited house building projects, but we did not hear the minister say that there was no money for housing. Work or tools are not provided to build houses, because the subway, the transportation system, in short, everything belongs to the government.

We are against such a government control and we wonder why, in a world which we consider as free and developed, which has huge opportunities and unparalleled resources, we could not do, with all our freedom, what the Soviets are able to do, despite their communist ideology.

Let us station as many soldiers as we want in western Germany, let us go to Europe with the 20 million Canadians to safeguard peace in case of aggression, and let us kill, if it suits us, as many Communists as we can, we will realize that it is not with guns, cannons or shells that we will destroy the communist ideal.

We can check the rise of communism in the world by fighting it, not with weapons, or boxers, or soldiers, but with a superior idea, a philosophy of life which will allow the human being to develop normally. Only then, Mr. Speaker, will we be able to fight international or national communism effectively.

We make feeble attempts to establish peace and justice in the world, but we cannot even manage that here in Canada. There is talk of withdrawing our troops from NATO. What good will that do? We actually spend more than $1.5 billion for national defence. We build war installations which may never be used, at the rate technological changes are happening. That is why I spoke of peashooters a while ago.

Mr. Speaker, of course everybody wants peace and justice, but we will get it only if we take the steps capable of helping us reach those objectives.

We have been a member of NATO for 20 years, and for 10 years there has been talk of a review of our commitment to this organization. And now the Prime minister tells us that we must review our positions, so that NATO will serve for purposes other than military.

A while ago, I heard the leader of the NDP say that we should help the low income people first, in order to fight subversion or economic policies that do not respect the rights of the individual. That is what we should do. However, we have to think first about ourselves.

[Mr. Caouette.]

I just got back from western Canada. The farmers there are in a terrible situation. Several members are unaware of what is going on there. One may see, in some farms, that last year's crop is rotting after remaining all winter under snow, because it could not be stored. Those farmers will never be able to see their wheat. Right now, they have to obtain substantial loans from chartered banks, credit unions, credit co-ops and finance companies, in order to start their spring sowing. They should have another crop next fall and there is still no possibility in sight of selling last year's production.

Mr. Speaker, I agree that there are underdevelopped countries, but the situation in Canada is far from perfect, and the government does not seem to care. It aknowledges the situation and says it is unfortunate.

The Prime Minister, who tells us we should strive to establish peace and justice in the world, went to western Canada some ten days ago and told the farmers: If you have wheat, get out and sell it. Sell it yourselves. That is the domestic policy of this government.

However, we should call the attention of the Canadian people to the underprivileged of this world. Let us withdraw our troops from NATO, totally or partially. Let us reduce our forces and become the promoters of peace and justice all over the world. Mr. Speaker, there are fine promoters for you!

• (5:00 p.m.)

This morning we read in a paper that four million Canadians are underfed at present! They represent 20 per cent of the population of a rich country, teeming with all kinds of things, and the Prime Minister wants us to be the promoters of peace and justice in the world.

Mr. Speaker, there is an inconsistency somewhere. There is a lack of responsibility, of sincerity and of frankness. International problems are discussed in order to divert the attention of the needy in Canada.

Let us reduce our forcees to save money! The Prime Minister is fully aware that no savings will be made. However, we are allowed to help under-developped countries.

Mr. Speaker, we have also heard what our responsible government should have done in connection with Biafra, South Africa, the recognition of Red China, etc.

Mr. Speaker, of course we should contribute to and participate in the establishment in the world of a system enabling every human being to live a full life. However, we should

establish that system in our own country, thus setting an eaxmple for other countries. Above all, let us not abandon our people in trying to set an example for others, because that would not be fair.

We hear all kinds of complaints in this house. All hon. members have good intentions. Those of the Prime Minister are excellent. However, Mr. Speaker, hell is paved with good intentions. That does not solve the problem but the implementation of efficient measures would. With a specific program and our good will, we could solve the problems.

When the New Democratic party demands that Canadian forces be withdrawn from Europe, we, of the Ralliement Créditiste, agree with it, because we are in favour of withdrawing Canadian forces from wherever they are. If we do not have the money to enable our people to live, then we do not have any either to keep in foreign countries people who do not build anything.

First of all, if we had an economic system guaranteeing security and freedom to everyone, then the threat of war would disappear, understanding would prevail as well as cooperation between individuals; fraternizing between human beings would be made easier than when shortages are allowed to exist throughout the world.

We are in favour of helping needy countries such as India, Turkey, Greece, Iran, which could benefit from our help, but we must not, for all that, neglect our own citizens.

An old proverb says: Charity begins at home. We should therefore start with ourselves, not through selfishness, no, but to set an example for the others. Other countries must be helped, not only by giving them goods but by going over to show them how to do things, as Canadians do.

Yet, even here in Canada, we have any number of Canadians who know how to do many things, but who are not able to do them. Our unemployed, for instance, do not ask to live on unemployment insurance or on welfare.

When you consider that in Montreal alone you have 80,000 unemployed, and 30,000 or 35,000 families on social welfare, it seems as if it were high time to correct the situation. We should change living conditions while wishing the same for other peoples.

As for the Russians, as I said earlier, they do not so much try to win with the help of their guns than through their marxist philosophy.

NATO

To counteract this philosophy, we must have one of our own which should be extremely clear and able to ensure the freedom of the individual. That is what the Ralliement Créditiste has been putting forward in Canada, for the past 30 or 35 years but government and businessmen alike laugh at us when we ask that the public sector of our economy be financed through the Bank of Canada, without interest, as we finance other countries. Businessmen simply laugh at us for they would not make any profit out of that.

Those businessmen, however, are the same who control the economy of all the so-called free countries because all of them, without any exception, come and drink from the financial wealth of Washington.

A year ago, France, a member of NATO and economically, the strongest country in the world, was obliged by her great "General" to bow the knee to the World Bank, in other to salvage the franc.

This year, it was Western Germany that was supposed to be, economically speaking, the strongest country in the world, for businessmen had so decided. If, next year, the same businessmen decide to bring Western Germany down on her knees in front of the same powers, she will be declared an outcast and her monetary system will be on the rocks as was that of France a few months ago.

England has been through that, kneeling to ten finance controllers, to borrow $3 billion. And all those countries are members of NATO.

And there is only bickering and squabbling and destitution more than ever. Why? It is very simple. It is because our system is a debt system. When we borrow $1,000, we have to pay back $2,000, which is practically a mathematical impossibility.

I gave previously the official figures concerning the cost of the famous Jacques-Cartier bridge in Montreal. The original cost was $18 million; the interest has reached to date $20 million and we still owe $14 million on that bridge. Such a system discourages enterprise, discourages a country and drowns it in unpayable debts.

Our position in Canada is not much better. We benefit by the nearness of the United States, but we come under their direct influence. When a crisis develops in the United States, Canada feels its after-effects. If there is an economic boom there, there is also one in this country. If a war breaks out, we are also in it. If we withdraw troops, the United States say no.

But agreements of some kind are reached, perhaps for diplomatic reasons, under which Canada is asked to serve as a go-between, for instance between Communist China and the United States or between the U.S.S.R. and the United States. That is what is going to happen and it seems that hon. members do not realize it.

The Prime Minister knows very well why he is advocating his present participation policy towards peace and justice in the world.

Mr. Speaker, we, of the Ralliement Créditiste, feel that too much money is spent on armaments. One and a half billion a year is too much. Parasites benefit from these expenditures, contractors and financial party backers in particular. The government is aware of the situation while the citizens should be served and respected by parliament.

Mr. Speaker, if the Prime Minister wants to withdraw some of our troops from Germany, it is not for the same reasons. If he does not want to offend Russia and at the same time not to offend the United States too much, he should agree to our proposal and use available funds for the economic development of our country, to provide our people with security along with personal freedom.

However, we do not want security at the expense of freedom. We do not want the freedom of the individual to be dependent upon the good will of the state. We consider the individual as the most important element in a well organized economy. We maintain that a government must serve the individual and not enslave him and that all available resources must be used in the interest of the human beings and not for destruction purposes.

This is why we do not object to a reduction in our military establishments but we regret that the Prime Minister and the government take no concrete action to establish in Canada a system which would show the whole world, including Russia and Communist China, that men fully free—and not slaves of finance companies—can fight efficiently those who would like to hamper the freedom of the world.

The individual is the most important factor in a society. Let us legislate on the basis of the individual and Canada not only will have set an example but will also have provided the social, economic and political balance of the Canadian nation.

[Mr. Caouette.]

• (5:10 p.m.)

[*English*]

Mr. Ian Wahn (St. Paul's): Mr. Speaker, the subject raised by this resolution is not a subject on which to be partisan or deliberately controversial. Nevertheless, I should observe that if we have any difficulty answering the criticisms of members of the opposition it is simply because the criticisms are contradictory. The right hon. Leader of the Opposition (Mr. Stanfield) declared that we were making a fundamental and disastrous change in our defence and foreign policies. The Leader of the New Democratic party (Mr. Douglas), on the other hand, complained bitterly because we were making no change at all. As is usually the case, the truth probably lies somewhere between these two extremes; in other words, our policy is probably just about right, and that naturally annoys members of the opposition.

The right hon. Leader of the Opposition, to loud cheers from his supporters, also claimed that he was very confused. With that I think we can all agree. But in order to lessen his confusion perhaps we should try to avoid oratorical flourishes and instead examine the problem before us quietly and rationally.

It is entirely right that Canada should review its NATO obligations and decide its future military role at this particular time. Canada was one of the founders of the North Atlantic Treaty Organization over 20 years ago. At that time western Europe was poor and weak. Its economy had been disrupted by war and it possessed very little effective military strength. The western European countries lived in fear of Soviet aggression and had no effective defence against it. Military and financial help from North America was essential. Through NATO it was made available in generous measure, and the fear of aggression from the east was removed. Since that time, as the Prime Minister (Mr. Trudeau) said, the western European countries have made a remarkable recovery, until today they rival the Soviet Union and its allies in the Warsaw Pact not only in population but in wealth, productivity and potential power.

Mr. Thompson: Everything except military strength.

Mr. Wahn: It is important to realize that the North Atlantic Treaty did not impose any specific military obligations on its members. Its members agreed that aggression against

one was to be considered aggression against all, but the type and amount of assistance to be rendered were left entirely to the discretion of each member state. In time, however, a joint command was established and member countries in effect put their national forces under this joint command.

At the present time, as hon. members know, Canada has its first air division of about 4,000 men stationed in south Germany and its mechanized infantry brigade of about 6,000 men in north Germany. In addition, certain maritime and ground forces in Canada are allocated to NATO.

The North Atlantic Treaty was binding for 20 years, after which any member could withdraw on one year's notice. The 20-year period expires in August this year, so this is indeed an appropriate time to review our NATO commitment.

As hon. members know, the House of Commons Standing Committee on External Affairs and National Defence presented its report to this house on March 26. This followed extensive hearings in Canada and a two-week tour of the countries of western Europe. It is fair to say that in the course of this review it became clear that for every argument in favour of continuing our NATO commitments there was a counter argument, and vice-versa. Many of these arguments involved intangibles which are very difficult to assess. It is a subject on which the opinions of honest and sincere men may and do differ greatly.

Briefly, the committee report recommended that Canada continue its present NATO commitments until the mid-1970's when the main items of equipment for our air division and our mechanized brigade would require replacement.

However, the report specifically recognized the vital importance of making decisions with regard to future roles in NATO. Moreover, these decisions must be made promptly because of the time required to negotiate changes with our allies, to acquire new equipment, and to retrain our forces. However, the committee decided not to make specific recommendations on this subject until it could obtain more information with regard to alternative roles.

The cabinet's decision to remain in NATO but to make a planned reduction in our European forces went one step farther. With the air division in south Germany, in effect under U.S. command, the mechanized infantry brigade in north Germany, in effect under British command, and with neither of these two Canadian forces being related to each other or to anything we are doing in Canada, members of the committee had doubts about the continued value of these roles. But the committee said in effect: We want more evidence before we make recommendations as to new military roles. The cabinet, which had been working on the problem for many months before the committee commenced its work, said in effect: We have sufficient evidence to satisfy us that our present roles in Europe are not right; our forces in Europe must be reduced, but we will work out the necessary changes, which will be phase two, in consultation with our allies. Personally, I welcome that decision and I think it is right.

• (5:20 p.m.)

This decision marks a vital change in Canada's defence and foreign policy. The Prime Minister declared emphatically that Canada's defence roles must depend upon Canada's foreign policy, upon the foreign policy of this country, not upon the foreign policy of the United Kingdom, the United States or any other country.

I think it is the failure of the Leader of the Opposition to understand the significance of this statement which has led to a great deal of his confusion with regard to the statement made by the Prime Minister and by members of the cabinet. In the past we have not always placed as high a priority on our own interests as we should have done. In the past Canada's foreign policy has too often been a policy of dependency. For years Canada relied upon the British fleet for its protection and Canada's foreign policy was determined by Great Britain. More recently Canada has depended upon the American nuclear deterrent and our foreign policy has been determined largely by the United States.

I choose to construe the Prime Minister's announcement, therefore, as a declaration of independence, a declaration that in the future Canada will have a more independent and self-reliant foreign policy than in the past. The Leader of the Opposition obviously wishes to continue the policy of dependency to which I have referred—dependency upon the United Kingdom, the United States or other countries. He argued in favour of dependency by condemning what we want to do as being a policy of isolationism. We reject this. We do want an independent foreign policy but we do not consider that this involves a policy of isolationism.

Adoption of an independent foreign policy has many consequences. First and most important, it involves the acceptance of the principle that Canada's independence, not just political independence but economic independence as well, is not negotiable. Here we must think particularly of our American neighbour. In all our relations with the United States it must be made entirely clear that, while we are willing and anxious to enter into co-operative arrangements in many fields, these arrangements must be on terms which will preserve our sovereignty and basic independence and leave us free to make our own decisions.

I repeat that such an independent policy is not a policy of isolation. It recognizes that our most basic requirement is peace and that peace must be based on collective security. Specifically, it recognizes our continued interest in relations with western Europe and the Atlantic area. But it emphasizes, too, that we are also a Pacific power and have a vital interest in developing relations with the countries in the Pacific area. It recognizes that we have vast resources in the north and in the Arctic area to protect and develop and vital interests in the vast, rich, continental shelf extending many miles from our shores. It also recognizes that while regional alliances such as NATO may continue to be necessary for many years, they are not enough, and that Canada's vital interest in the maintenance of peace can only be achieved through the continued evolution and strengthening of a world organization such as the United Nations.

Some of the military consequences of the adoption of this independent foreign policy are now being worked out by the cabinet. One can only speculate as to the result of this review. However, it is possible that it may lead to a decision to emphasize a multi-purpose mobile force based in Canada which would be available for Canada's own needs, in protecting its own territories and coastal waters, in assisting its allies, and for United Nations peacekeeping operations.

The Prime Minister has been careful not to promise that the changes would result in cutting military forces or expenditures. However, if a multi-purpose force were adopted, such a decision could conceivably lead over a period of years to a substantial reduction in our armed forces and a similar reduction in our military expenditures. This would be a target worth shooting for. Certainly, if we do not reduce troop strength, military expenditures will increase rapidly simply because of the ever-increasing cost of equipment and services.

Last year, Mr. Speaker, our military expenditures amounted to approximately $1.8 billion. In the war years our annual average expenditure was $1.5 billion. I realize that today the dollar is worth less than two-thirds as much as it was during the war. Nevertheless, I was surprised to find that last year, in peacetime, our military budget was almost as high as our average military budget during the last great war, and I would hope it can be reduced very substantially if our forces are reorganized along the lines I have suggested.

As I have said, I interpret the Prime Minister's declaration as being a declaration of independence in foreign policy, a statement that henceforth we shall determine our foreign policy, in consultation with our allies and friends, basically in the light of our own national interests. The time has passed when we could rely on other countries to make these decisions for us. In future we must make our own decisions. Our policies may sometimes be right; they may sometimes be wrong. But the important thing, to my mind, is that they will be made in Canada.

Some hon. Members: Hear, hear.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I must say I was surprised that the previous speaker, like the Prime Minister (Mr. Trudeau), should have followed the line of making some unflattering observations concerning the conduct of our foreign policy by the former prime minister and, indeed, by the former secretary of state for external affairs. However, I suppose these are matters of opinion.

I believe there is one thing upon which we all agree, namely, that peace in the world is the object and purpose of our foreign policy, first, in order that we may develop our own great resources and, second, because Canadians are morally opposed to the use of war to solve world problems. Another consideration, and perhaps the most important of all, is that we should all be destroyed in the event of a nuclear war breaking out between the two great powers in the world today, the Soviet Union and the United States.

One should be cautious, however, about assuming that all other nations share these foreign policy objectives or act from the same motives. I would point out that the Soviet Union has seized by force some 13 of its neighbours since 1939. We should not make the mistake of assuming that because

we favour peace in the world everybody else does. This is certainly not the case. The difference of opinion which exists in this country seems to arise as to the way in which Canada can best achieve its objective, namely, world peace. In this regard, Canada can follow policies of a long range, short range or medium term nature. Those who offer opinions on foreign policy sometimes tend to make no distinction between the short and the long run; I believe it is essential to make such a distinction. Our policies, long or short run, have always been carried out in concert with others. It is often said that Canada has four cornerstones of foreign policy—our relations with the United Nations, our relations with the Commonwealth, our special relationship with the United States, and our membership in NATO. Of course, we also co-operate in maintaining world stability through other bodies such as the International Monetary Fund and the World Bank.

• (5:30 p.m.)

I agree, of course with the proposition of an old friend and former colleague, Mr. Escott Reid. About one year ago he enunciated a well known proposition, namely, that the two major problems facing us for the remainder of the century will probably be the development of the underdeveloped part of the world and the prevention of starvation and poverty in that underdeveloped part of the world, and the normalization of relations between the People's Republic of China and the so-called western world. I agree with Mr. Reid and with many others who hold this viewpoint. These policies are essentially long-run policies, as it were. They are essential, and there is little argument about that. But no one will say that long-term policies like these are necessarily in conflict with what may be very essential short-term policies. The two are not mutually exclusive; they are complementary.

Without doubt the immediate short-term policy we must follow is that of preventing immediate conflicts in the world. There have always been conflicts and threats of conflicts in the world around us. We have a very upset sort of world where force has become more and more important in the settling of disputes. We find this attitude reflected in our own country where people accept violence as a means of solving problems. I am sorry to say that in some cases people belonging to a generation younger than my own have promoted violence, although sometimes the idea of violence is promoted by people belonging to the older generation who have no good in mind.

To return to the subject of whether conflicts are likely to take place, we must remember that we face the possibility of conflict today in the Middle East. Many such potential conflicts could escalate into world war III. In the last few years Canada has done much more than her share in trying to contain those conflicts, some of which might be called bush-fire wars. Of course, many of them are larger than that. Probably we would have continued to carry out this duty in the Near East if our troops had not been dismissed a few years ago by Colonel Nasser. I also refer to the Congo, and to our present role in Cyprus. We have done a great deal to contain these smaller wars, some of which might have escalated into world war III if they had not been contained.

I agree with hon. members on the other side of the house who say that we should continue with this sort of work. I think it is very valuable. However, the one and only major threat to Canada at present is the threat of conflict between the Soviet Union and the United States of America. I am referring, of course, to a conflict that escalates into nuclear war. The reasons for my statement are too obvious, and I need not elaborate on them. We are the "ham in the sandwich". We are between the two major powers and if nuclear war were to break out there is no doubt that Canada as we know it would be destroyed. There is little argument about that. The immediate objective of our foreign policy should be to do everything we can to prevent this kind of war from taking place. This is not a long-run objective. This is an immediate, short-run, essential matter we must attend to now. We should do everything we can to prevent such a war. I do not say that we must not allow for some kind of defence of our "sovereignty" but, frankly, I do not know against whom we are to defend ourselves. The Prime Minister did not mention that. But if nuclear war were to break out between the major powers any number of troops we would muster would be of very little use indeed.

We must try to use our influence to prevent such a war from taking place. Can this be done by diplomacy alone, Mr. Speaker? I do not think so. We are not big enough nor powerful enough by ourselves to force a détente between the two giants. Only by acting with others can we exert any influence we may have.

Some say that perhaps we should let the United States defend us and then we could

use our resources for some long-range projects such as those suggested by Mr. Reid. They refer to the increased development of the underdeveloped part of the world or the "third world", as some call it. We could do this and I suppose some say it would be much better if we did. But it has been suggested by some, and I agree with them, that if we did that sort of thing we would lose a great deal of our influence in the third world. We would very likely come to be regarded as a military province of the United States. Our money would be none too welcome because some might think strings were attached to it—strings going all the way back to Washington. If we offered any troops for peacekeeping purposes they would be regarded with suspicion. If we were to follow this policy our excellent record in peacekeeping would not be maintained.

Also, Mr. Speaker, most Canadians object to the idea of a free ride. Most Canadians have ethics. I think most Canadians—I did not say all—feel that we ought to carry our weight and that we ought to carry our part of the load in the matter of defence.

Where in the world is a conflict now, or in the immediate future likely to break out between the Soviet Union and the United States? There is the Near East of course; that is a distinct possibility. But the greatest danger is in Europe. The greatest danger spot is Germany. This is where vital spheres of influence of the United States and the Soviet Union overlap. Here is the place where in future as in the past we must contribute to peacekeeping operations. There is no doubt in the world that that is the most important peacekeeping operation. NATO, Mr. Speaker, is the world's most important peacekeeping operation today. I think it is generally agreed that NATO for the past 20 years has kept the peace by preventing Soviet expansion. But is this now necessary? Even the Prime Minister says yes by implication.

From 1963 to 1968 nearly everyone thought the Soviet Union had given up force as a means of obtaining her political objectives. However, Czechoslovakia proved them wrong. The motives of the Soviet Union are different from our motives. I referred to this before. We must not make the mistake of thinking that their motives are the same as ours. At present the Soviet Union is greatly increasing her conventional military capability. It is my understanding that at present the Soviet Union has nearly three times the number of tanks that NATO has in central Europe, as well as larger numbers of aircraft and considerably greater numbers of men. If the military principle of having a ratio in forces of two and a half to one is followed, it is clear that the Soviet forces are equipped not for defence. If they are not equipped for defence what is their purpose, particularly if they consist of large conventional forces equipped with increasing numbers of conventional weapons?

We are not told that existing NATO forces are capable of holding a Soviet thrust in Germany or Denmark. It is generally thought that neither side wants to start a nuclear war. It is hoped at the present that if the Soviet Union starts some misguided military adventure, Soviet forces can be held up until negotiations start. Of course, we know that the danger areas are Berlin or the Baltic.

It appears that President Nixon is not making a determined effort to settle political problems in Europe with the Soviet Union. If this works it is thought that troops can be reduced on both sides. But until this is done NATO forces must be kept at least at present levels. All NATO countries, and also Sweden, think NATO should continue. Bearing that in mind we must ask, is Canada's continued presence in NATO the best way or a good way even of carrying out our objective of doing what we can to prevent a war between the Soviet Union and the United States? First of all, it is futile to stay in NATO without supplying troops to NATO. It is like the old rhyme:

> Mother, may I go out to swim?
> Yes, my darling daughter.
> Hang your clothes on a hickory limb,
> But don't go near the water.

I do not think anyone will pay much attention to us unless we supply troops to NATO. Conversely, if we do not supply troops we will not wield much influence. Who pays attention to those giving gratuitous advice? Who will pay attention to us if we will not put our money where our mouth is? If we want to exert much influence in NATO we must at least keep up our present troop strength. After all, our NATO forces constitute only 10 per cent of our total armed strength. We are said to have about 100,000 men in our armed forces. Only Denmark spends a smaller percentage of her gross national product on defence than does Canada. She spends 2.6 per cent and we spend 2.7 per cent of our G.N.P. on defence.

• (5:40 p.m.)

We can exert influence because of our membership in NATO. We would not be a member of the 18-nation disarmament commission of the United Nations if we were not a NATO member. If we want to have any influence on the terms of any détente which the United States is trying to work out with Russia, we will not do it by withdrawing our troops. I have had some slight association with the Russians. You cannot deal with the Soviet Union from weakness. This is something they do not understand.

Canadians are well thought of and reliable. Our opinion is highly regarded abroad. The influence we can exert in NATO would be highly respected. If we reduce our forces in NATO there is a great danger they will be replaced by German forces. The Germans make no secret of this. We are told the Soviet Union would be greatly alarmed by even a moderate German rearmament. This might provoke the Soviet Union into some misguided military venture. We do not want to be responsible for increasing the dangers of war.

A troop reduction at the present time could be infectious. Other countries may decide to do the same thing. This would play into Soviet hands. The Soviets are trying to hold up NATO as some kind of a force run by the United States and Germany.

Finally, if we are to have military forces, where can 10 per cent of them be better employed than by peace-keeping at the principal friction point between the only two great powers at present? A war between them could destroy Canada. We can well use 85 per cent of our other forces for U.N. peacekeeping and protecting the Arctic, against whom I am not sure, and other places.

We have heard a lot of vague generalities murky thinking, and platitudes from the Prime Minister and other government spokesmen. We have not yet heard any real reason why we should reduce our forces at present in NATO.

MESSAGE FROM THE SENATE

Mr. Deputy Speaker: Order. I have the honour to inform the house that a message has been received from the Senate informing this house that the Senate has agreed to the amendment made by the House of Commons to Bill S-28, an act to amend the Co-operative Credit Association Act, without any amendment.

GOVERNMENT ORDERS

NORTH ATLANTIC TREATY ORGANIZATION

MOTION FOR APPROVAL OF GOVERNMENT POLICY

The house resumed consideration of the motion of Mr. Trudeau:

That this house supports the government's policy of continued Canadian participation in the North Atlantic Treaty Organization and the intention of the government, in consultation with Canada's allies, to take early steps to bring about a planned and phased reduction of the size of Canadian forces in Europe.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, like several others who have taken part or will take part in this debate, I have returned from a visit to Europe by the Standing Committee on External Affairs and National Defence. I would like to preface my contribution by stating that wherever we went we were assured that Canadian forces, whether on NATO assignments or on peacekeeping roles, were a great credit to Canada. I want to make it clear that although I propose a radically altered role for the Canadian forces, I believe that the Canadian armed services can make, properly directed, a decisively important contribution to the security of Canada and the world.

The basic problem of defence is to use the available resources to make the maximum contribution to the security of Canada and of the world. The security of Canada is tied up with the security of the world; it cannot be separated from it. We cannot buy security by piling up forces in a continental North American fortress if there is chaos and insecurity in the rest of the world.

It is our complaint that the government's current policy, so far as one can guess at it from the statements made by the Prime Minister (Mr. Trudeau) elsewhere and in this debate, is directed at the wrong threats and therefore adopts the wrong priorities. The greatest threat to the world today does not lie in a likelihood of a massive nuclear attack on North America, or indeed of any sort of military attack on North America. With the massive invulnerable power of nuclear retaliation possessed by the United States, any such attack would be madness. To attribute madness to potential opponents is itself folly, which leads inevitably to colossal waste. Nor is the threat of an all-out attack by Soviet

forces in Europe any longer a major threat. To concentrate a large part of our military resources in Europe would be a misdirection of effort, a slavery to mental attitudes appropriate to the past when western Europe may have lain open to possible attack.

Today the allied forces have 7,000 tactical nuclear weapons, a small fraction of which could devastate all of Europe. It is estimated that the Soviets have at least 1,000 such weapons. Any attack which might trigger a tactical nuclear exchange, let alone escalation to the use of strategical nuclear weapons, would again be madness. But in the rest of the world the instability caused by the gap between the rising expectation of newly independent people and their actual crushing poverty has caused conflicts and will cause more. The real danger lies in the fact that these conflicts may spread. It is not in Europe but in Asia that the tragic Viet Nam war has sapped the strength and strained the resources of the world's richest and most powerful country. It is in Africa that today an almost forgotten war goes on in which millions are threatened with extinction. Many conflicts in these areas are made additionally grave by racial hatreds.

Priority should therefore be directed to building a world community by putting the emphasis on the United Nations. This is low in the priorities of the Prime Minister but it has top priority with this party. In our view priority should be given to maintaining a highly mobile force, available for peacekeeping duties assigned by the United Nations. I know it is fashionable at the present time to downgrade the opportunities of such forces. In my judgment ample opportunities for valuable contribution in this field will inevitably recur. A mobile conventional contribution would be the most useful contribution that Canada could possibly make in Europe.

However, the major thrust of my remarks today is to make a plea to the government to clarify its stand on the proposal of the U.S.A. to deploy the A.B.M. system. This is primarily, of course, a United States decision. It is nevertheless one of vital importance to the world as a whole. Canada, as an ally, surely has the right to be heard in the debate which is going on in the United States and upon which so much depends. I would urge the government to make it clear that Canada wishes no part under NORAD or otherwise in such an A.B.M. system.

[Mr. Brewin.]

My reason for this is not because I do not believe that Canada should not be willing to contribute to United States security as part of the security of North America. It is rather because of my conviction that the proposed system contributes absolutely nothing to the security of North America or the world. Precisely the reverse is the case. It is my submission that the proposed A.B.M. system, whether in its thin or heavy form, as the jargon goes, whether a Sentinel system as proposed by the Johnson administration or the modified Safeguard system as proposed by the Nixon administration, represents a new step in what Mr. MacNamara described as "the mad momentum intrinsic to the development of all new nuclear weaponry."

• (5:50 p.m.)

What, briefly, is the nature of this proposed system? I will confine myself to the modified Safeguard system. It is estimated to cost between $6 billion and $7 billion. It is designed to protect the land-based retaliatory forces of the U.S.A. against a direct Soviet attack, to provide area defence to the United States against possible Chinese attack, and to protect against accidental launchings.

Phase one—they have phases in their American jargon dealing with these matters—will cover two large missile sites located in Montana and North Dakota. These are expected to be completed, if approved by Congress, in 1973. These bases will consist of 400 to 600 long-range Spartan missiles and short-range Spring defensive missiles.

There are a number of reasons why this system should be regarded as a colossal waste of money. The first is the question of whether it can be effective to protect either the American strategic missile sites or, second, American cities and the American population against nuclear attack.

It should be emphasized that neither President Nixon nor anyone else has ever suggested that the system, no matter how much it is expanded, can possibly afford any protection to cities or population against a Soviet attack. So far as protection of the missile sites is concerned, the fact is that the American offensive deterrent is so massive and so dispersed that it needs no such protection, and aside from the two Minutemen bases which contain 350 missiles will not receive any such protection.

The American strategic deterrent—and I am sure the Minister of National Defence

(Mr. Cadieux) can confirm this—is composed of 646 Polaris and Poseidon missiles on submarines and long-range bombers. These, combined with over 1,000 Minutemen I.C.B.M. and thousands of shorter range missiles in Europe and elsewhere, provide an arsenal of deterrents which gains nothing of significance from the proposed A.B.M. system.

Perhaps it is not necessary here to discuss the cost of the proposed system. The Americans may think they can afford billions of dollars for this purpose, though I doubt it, but that is their business. Opponents of the system have pointed out the inevitable tendency of such programs to expand. The thin system is a compromise and no more. It is almost certainly not the last word. They could go on to expand the system until, as reasonable opponents of the proposal have said, the cost could go up to $70 billion. The system will have the effect of aggravating the arms race and making it difficult to bring the non-proliferation treaty into effect.

I suggest that what is desperately needed is an effort not only to prevent proliferation to other countries not now possessing nuclear weapons but also to cut down the existing stockpiles of destructive weapons, and here I mention the development of multiple re-entry vehicles and other new and horrendous methods of destruction which are being vastly expanded at the present time. We in Canada have approved, as has the United States, a non-proliferation treaty. This pledges us to take measures toward the cessation of the nuclear arms race at an early date. I say that this proposed A.B.M. system would be contrary to the intent and the spirit of that treaty.

The pretence is that the system has been designed to defend against a Chinese nuclear attack. That is still given as part of the rationale for its deployment, but even Senator Russell of the United States has said that there is nothing in this argument and that "the Chinese are not," as he says, "completely crazy." To base the system on defence against China, as being necessary against China, is not only unreal but is a contribution to that attitude of mind which perpetuates the isolation of the Chinese people to the great danger of the world as a whole.

It may be said that none of these arguments has any weight if the A.B.M. system can make a contribution to the national security of the United States or the continental security of North America. The answer is that the system would probably make it less secure. Escalation of the arms race would result. There would be bound to be over-response on the part of the U.S.S.R. if past history is any guide, and at the end of colossal expenditures and vast and staggering costs there would be no real gain in security.

Why, then, does the American government plan to proceed with this expensive and probably useless system? I think that James Reston and other distinguished Americans have given us the clue. He has said that the anti-ballistic missile is really aimed not at all at the Chinese but at the military-industrial complex and its Congressional spokesmen. The decision made is a political compromise. Such a charge is difficult to prove, but it has been made by responsible Americans. Surely Canada can take an independent line on the basis of the merits of the matter. What is the use of talking about independence if we do not have independence of mind, if we are going to be dragged into systems of this sort for no good reason but simply as part of the on-going mad momentum of which Mr. McNamara has spoken?

I have not got time, Mr. Speaker, to go into the NORAD situation in full. But I call on the Minister of National Defence, if he is to take part in this debate, to give us an assurance that we will not proceed with vast new systems, such as AWACS, or the replenishment of systems of interceptors probably against non-existent threats of manned bombers, or get involved in any contributions to anti-ballistic systems without giving the Standing Committee on External Affairs and National Defence a full opportunity to investigate whether there is any real threat and whether the proposed methods are necessary to the security of this country and of the United States.

I see it is almost six o'clock, Mr. Speaker, and I want to end my remarks by asking a number of questions and by saying that what is really at stake in this debate is whether we are going to have an independent Canadian foreign policy. It can only be independent if we take our decisions for ourselves.

The next thing I want to know is, are we going to contribute, directly or indirectly, to the escalating arms race? Are we going to devote our defence policies to useless hardware or to building a world community, without which we shall all perish?

We in this party call on the government to fill in the blanks. So far it has presented us with a policy almost entirely blank. Even

with the greatest of good will it is impossible for us to judge whether it is a step forward or a step backward. We call on the government to fill in the blanks, to make it clear where the government stands and to let us know what is the policy of Canada. We in this party, if the policy is an independent one directed to the future and to the real needs of this country, will be the first to support the government. But to date we have no knowledge at all and cannot even guess where the government really stands.

Mr. Deputy Speaker: Order. It being six o'clock this house stands adjourned until tomorrow at two o'clock p.m.

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

HOUSE OF COMMONS

Thursday, April 24, 1969

The house met at 2 p.m.

[*Translation*]

ROUTINE PROCEEDINGS

PRIVILEGES AND ELECTIONS

Fifth report of Standing Committee on Privileges and Elections—Mr. Ovide Laflamme (Montmorency).

[*Editor's Note: The text of the foregoing report appears in today's Votes and Proceedings.*]

[*English*]

THE MINISTRY

RESIGNATION FROM GOVERNMENT OF HON. PAUL HELLYER

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I should like to inform the house that I have this morning received a letter of resignation as a member of the government from the Hon. Paul Hellyer, Minister of Transport, and that I have recommended to the Deputy Governor General, the Right Hon. Mr. Justice Cartwright, that the minister's resignation be accepted.

I will table later in the day correspondence exchanged between the minister and myself relative to the resignation.

MOTION TO ADJOURN UNDER S.O. 26

HOUSING

RESIGNATION OF MINISTER AND FAILURE OF GOVERNMENT TO PROVIDE ADEQUATE ACCOMMODATION—MOTION TO ADJOURN UNDER STANDING ORDER 26

Mr. Speaker: Order, please. I have a bit of a difficult problem which I have to bring to the attention of the house, in that earlier today the Chair received two notices provided for under Standing Order 26. One of the two motions preceded the other, and I might say had the additional qualification of having been tendered and received within the time limit set by the rules. In fairness, and in attempting to consider this matter as Solomon might have, I think that the first motion, the one received initially by the Chair, should be put, subject to the Chair reading both motions to the house. The first motion to which I have alluded is one which was tendered by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas).

• (2:10 p.m.)

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I ask leave, seconded by the hon. member for York South (Mr. Lewis), to move the adjournment of the house under Standing Order 26, for the purpose of discussing a specific and important matter requiring urgent consideration, namely the resignation of the Minister of Transport (Mr. Hellyer), because of the failure of the government to agree to take action to increase the housing supply in Canada, and the consequent danger of further delay in the taking of adequate legislative and financial steps to meet the housing crisis that now faces this country.

Mr. Speaker: As I indicated a moment ago, I had received the motion which has now been read by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) and a similar motion from the hon. Leader of the Opposition (Mr. Stanfield) moving the adjournment of the house under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely the resignation from the government of the Hon. Paul Hellyer as Minister of Transport, because of the failure of the government to reach decisions urgently needed to meet the housing crisis in Canada.

Since both notices cover exactly the same ground I might deal with both motions at the same time. The matter raised by the hon. member for Nanaimo-Cowichan-The Islands and the proposed motion by the Leader of the Opposition deal of course with a most important matter, so important indeed that there is some thought in my mind that it should be considered by the house as soon as possible. As hon. members know, the house, under a special order, has set aside two days sittings for a discussion of Canada's participation in NATO.

Resignation of Minister of Transport

I am of the opinion that it would not be desirable to alter our business for today. Whether the business for tomorrow should be altered is another matter to which I have given serious thought. In reviewing the request for adjournment of the house I have had difficulty in resolving the question of whether this matter should or might be raised in another form. It seems to me the matter of housing is in the circumstances a continuing problem but to that problem has been added another, the resignation of the Minister of the Crown who has been charged with the federal government's responsibility in the field of housing. The resignation of the minister is not necessarily in itself reason or ground for moving the adjournment of the house nor is the operation of the government's housing policy necessarily a matter of such urgent importance as to warrant a motion under Standing Order 26.

Having said that, however, when these two events are tied together it seems to the Chair there is a matter of urgency which may very well satisfy the provisions of Standing Order 26 in respect of the matter of urgency of debate. Having put aside any doubt in respect of the question of raising this matter as a matter of confidence in the government under Standing Order 58, I am inclined to allow the motion under the discretion vested in the Chair by citation (9) of Standing Order 26. I have said that I do not believe the business of the house for today should be disturbed, in view of the special order setting aside today for the consideration of government policy dealing with NATO. Any decision under Standing Order 26 would apply to tomorrow rather than today.

In view of the desirability of resolving certain procedural questions in relation to Bill C-150 I am directing that the matter be set down for consideration at two o'clock tomorrow afternoon provided the procedural matters relating to Bill C-150 have been disposed of earlier.

ORAL QUESTION PERIOD

HOUSING

INTRODUCTION OF LEGISLATION FOLLOWING RESIGNATION OF MINISTER

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister a question which arises out of the valedictory of the hon. member for Trinity this morning in which he said there is still no indication as to when a housing policy will be decided upon by the cabinet. I should like to ask the Prime Minister whether it is still the plan of the government to bring forward housing legislation based upon the task force recommendations prior to the summer recess in view of the response by the Minister of Transport in reply to a question I asked him last week, that it was still the intention of the government to bring down legislation—

Mr. Speaker: Order, please. Perhaps before the Prime Minister replies to the question I should refer to a ruling I made some time ago involving the hon. member for Nanaimo-Cowichan-The Islands when there had been an agreement to debate a particular subject. That hon. member at that time attempted to ask questions and I suggested that the hon. member might wait until the debate took place in the house.

I would think that position should apply generally, although I realize we are dealing with a matter of some urgency. I should not like to set down a hard and fast ruling, but I hope hon. members will exercize some discretion and remember that we have just agreed to hold a special debate tomorrow afternoon.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the intentions of the government have not changed. We do intend to introduce new legislation at this session within a matter of a few weeks.

RESIGNATION OF MINISTER—HOUSING AND URBAN AFFAIRS WITHIN FEDERAL INITIATIVE

Hon. Robert L. Stanfield (Leader of the Opposition): In view of the statement made by the recent Minister of Transport, in which he said the delay in making a decision regarding housing policy is the result of a theoretical concept of federalism on the part of the Prime Minister, which does not accept housing and urban affairs as being in this area of the federal initiative, will the Prime Minister make an early statement to reassure the house and the people of Canada that this government does regard housing, pollution and other urban problems as national problems and that he is willing to accept responsibility for federal initiative in these fields, of course always respecting areas of provincial jurisdiction?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this question by way of a statement of non-policy is not very helpful. Of course this involves the constitution, and this

is part of the difficulty in dealing with matters such as housing and pollution. To this extent I agree completely with the hon. Leader of the Opposition.

In answer to the question as to whether this is a matter of national interest my answer is, of course it is. And we believe that, but we must then ask ourselves how all matters of national interest must be dealt with under the constitution. That is exactly the policy of this government.

AVAILABILITY OF FUNDS TO MUNICIPALITIES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask the Prime Minister whether the government has rejected the proposal that the federal government make funds available to the municipalities for housing purposes?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have just said that the government would be introducing new legislation in the house very shortly. It is now at the drafting stage. The policy matters have been decided by the government, and the hon. member will have to wait a few more days or, at the most, a couple of weeks before seeing what is in the legislation.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the fact the former Minister of Transport, who was responsible for housing, is alleged to have made the statement at his press conference this morning that one of his disagreements with the Prime Minister was that the government refused his proposal to make housing funds available for municipalities, I wonder whether the Prime Minister might clear up that point for members of the house?

Mr. Speaker: I am wondering whether the hon. member is not now actually entering into a discussion of the very subject which in my view is the subject matter to be debated tomorrow afternoon. I doubt very much whether that type of question should be asked at this time, or whether in fact it should not rather be asked tomorrow afternoon, when we are debating this matter in an attempt to elucidate such points.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I rise on a point of order, Mr. Speaker. With great deference to Your Honour I should like to point out that if we are to have any type of worth-while discussion tomorrow, surely the house is entitled to some statement as to whether or not the allegations made by the minister who has resigned were valid, and surely we are entitled to a statement from the Prime Minister.

Mr. Speaker: Order, please. I doubt very much whether the point raised by the hon. member is valid. He realizes that in ordinary circumstances such debates are allowed the same day, and there is no opportunity for members of the opposition or any member of the house to ask questions because the debate is brought on immediately. Therefore, I cannot think that the standing order makes provision for, first, a question period allowing hon. members to obtain information, and then to have an adjournment debate for the purpose of discussing the information obtained during the question period. This would be my interpretation of the rule.

Some hon. Members: Hear, hear.

Mr. Douglas (Nanaimo-Cowichan-The Islands): On a point of order, Mr. Speaker, may I just submit this point for Your Honour's consideration. Tomorrow we will have the debate, with no opportunity for asking questions, and there is information which members are entitled to have before that debate begins.

Mr. Speaker: I do not want to enter into a discussion with the hon. member, but I must point out that there is a procedural difficulty here, because normally such debates are held on the same day. If the debate were held today, I doubt that there would be an opportunity for hon. members to ask questions on the matter, although it might be very useful for them to do so. This is not really provided for by the rules.

INQUIRY AS TO REPLACEMENT OF MINISTER FOLLOWING RESIGNATION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, could the Prime Minister advise the house when he expects to make an announcement of the appointment of a new minister of transport to handle the rather sorry state of affairs described by the minister who resigned this morning?

An hon. Member: Let George do it.

Another hon. Member: Good idea.

Mr. Hees: Just hand it over.

Inquiries of the Ministry

[*Translation*]

FEDERAL-PROVINCIAL CONFERENCE AS TO CONSTITUTIONALITY

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I have a question for the Prime Minister.

In view of the constitutional difficulties raised by the housing problem, in connection with the respective jurisdiction of the federal and provincial governments, is it the intention of the Prime Minister to call at his earliest convenience a federal-provincial conference where the parties concerned could agree on the constitutionality of the housing problem and take a decision in the best interests of all Canadians?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member is no doubt aware that many federal-provincial conferences have been held on housing, and it was precisely because no agreement was reached to give increased power to the federal government that we are now in such a predicament.

Also, a little more than a month ago the minister met in Toronto with the provincial ministers responsible for housing, and the matter was then discussed once again. Therefore, the house should not think there have been no consultations between the federal and the provincial governments on that subject and its constitutional aspect.

Mr. Asselin: I would like to ask a supplementary question, Mr. Speaker.

Can the Prime Minister assure us that at the constitutional conference to be held in June, the problem of housing will be on the agenda to enable the parties concerned to make a decision?

Mr. Trudeau: Mr. Speaker, I assume the hon. member and his party question the provincial competence with regard to housing. The hon. member shakes his head in dissent. All I can say then, Mr. Speaker, is that the constitutional conference will take place as expected, according to the prepared agenda.

[*English*]

RESPONSIBILITY FOR HOUSING IN INTERIM PERIOD FOLLOWING RESIGNATION OF MINISTER

Mr. David Lewis (York South): Mr. Speaker, perhaps I did not hear part of the announcement made by the Prime Minister, but I did not hear any date mentioned in the announcement. May I ask the right hon. gentleman when the resignation of the Minister of Transport is to become effective, and if it becomes effective immediately, would the right hon. gentleman inform us who has been put in charge of housing in the meantime, pending the appointment of another minister?

Right Hon. P. E. Trudeau (Prime Minister): The minister asked that his resignation become effective on April 30, and it is this resignation that I have advised the Deputy Governor General to accept.

Mr. Lewis: I have a supplementary question, Mr. Speaker. Would the right hon. gentleman inform the house whether the minister who resigned is to carry on all his duties relevant to transport and to housing for the next few days—there are about six days still left—or whether the housing matters, which include public housing, urban renewal and other matters under discussion, are to remain under the table until a new minister is appointed.

Mr. Trudeau: The relevancy of the date is that there would be no cabinet meeting before next Thursday, and by that time the minister's resignation will have become effective. In the meantime I expect that the minister wants to use the remaining days, not to initiate or discuss policy but to clear up some outstanding matters before his resignation becomes effective.

Mr. Lewis: Can one have an assurance from the Prime Minister that any requests or applications by municipalities for public housing assistance, urban renewal assistance or assistance in other fields will receive attention during the next week, or will they have to wait until a new appointment is made?

Mr. Fairweather: The mail will not be in anyway.

[*Translation*]

Mr. Speaker: Does the hon. member for Témiscamingue wish to ask a supplementary question?

Mr. Réal Caouette (Témiscamingue): No, Mr. Speaker, my question deals with another matter.

[*English*]

POSSIBILITY OF FURTHER RESIGNATIONS—PARTICIPATION IN DEBATE

Mr. G. W. Baldwin (Peace River): I have a supplementary question, Mr. Speaker. In

view of the fact that the Prime Minister indicated by his answer to the Leader of the Opposition that the resignation of the Minister of Transport will result in some decisive action in the housing field, can we look forward hopefully to other resignations shortly, including that of the Minister of Agriculture?

Mr. Speaker: Order, please.

Hon. Robert L. Stanfield (Leader of the Opposition): I have a supplementary question, Mr. Speaker. I wonder if the Prime Minister will assure us that he will take part in the debate tomorrow.

Mr. Trudeau: I will give that question consideration, Mr. Speaker.

In reply to the previous question I would be inclined to say that if resignation brings action, then there should be many resignations in the opposition ranks.

Some hon. Members: Hear, hear.

Mr. Baldwin: We have nothing to resign from.

Some hon. Members: Resign.

Mr. Speaker: Order, please.

Mr. Eldon M. Woolliams (Calgary North): If questions in reference to the Department of Transport, and in particular those with regard to housing are to be answered, will the Prime Minister inform the house whom the acting minister in the house to answer these questions will be.

Mr. Trudeau: As the hon. member knows, the roster system does not provide for the Minister of Transport to be present in the house today.

An hon. Member: How about tomorrow?

Mr. Trudeau: As for tomorrow, I can assure the house that there will be a minister answering questions with regard to the department.

Mr. Baldwin: How about the Holy Ghost today?

Mr. Speaker: Order, please. I bring to the attention of hon. members that many questions have been asked on what I realize is an important point, and I see that another seven or eight hon. members are anxious to ask supplementary questions on this subject. However, the hon. member for Témiscamingue and other hon. members are anxious to ask questions on other matters, so I believe we should not press the matter much further. I wonder therefore whether hon. members might not allow the Chair to call the hon. member for Témiscamingue, and if we run out of subjects in the next fifteen minutes we might return to this one.

[*Translation*]

NATIONAL PARKS

GASPÉ—MEETING WITH QUEBEC AUTHORITIES

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a question to the Minister of Regional Economic Expansion.

It was announced recently that a very important meeting between the minister and the authorities of the province of Quebec would be held in connection with the establishment of a national park in the Gaspé peninsula. Is the minister in a position to tell the house today if he met the provincial authorities and, if so, have they reached an agreement on the matter?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, this meeting has not yet been held.

[*English*]

FISHERIES

GROUNDFISH FLOOR PRICE—SALT COD POLICY

Mr. James A. McGrath (St. John's East): I have a question for the Minister of Fisheries and Forestry which arises out of the statement released by the department today. Has the minister defined a floor price for groundfish, and has the department worked out the mechanics for the purchasing and receiving of the groundfish mentioned in the press release?

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer is yes, the department has worked out the mechanics of this purchasing arrangement, both with the trade and in concert with some of the other fish exporting countries selling frozen groundfish in the United States. The Fisheries Prices Support Board will be buying at market prices fish which is offered at any price below the prevailing market price, with a view to supporting the price and bidding it up to a point where it covers the basic costs of our efficient Canadian producers.

Inquiries of the Ministry

Mr. McGrath: A supplementary question, to ask the minister why he chose to make a statement on this subject outside the house at noon today instead of dealing with it on motions. Second, when may we expect a statement on salt codfish policy?

Mr. Davis: I hope to be able to make a statement on salt codfish policy tomorrow.

COMBINES

DRUGS—PRICE FIXING BY B.C. PHARMACISTS

Mr. Barry Mather (Surrey): May I ask the Minister of Consumer and Corporate Affairs a question? What action is the minister taking with regard to the request of the government of British Columbia for an investigation of a possible infringement of the combines legislation by the pharmacists of British Columbia in connection with the imposition of extra charges in the case of welfare recipients' prescriptions?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I am not aware I have received any such request from the government of British Columbia, but I will check to see whether one has come in without my knowledge. I made some comments on this situation the other day in answer to a question.

[*Translation*]

EXTERNAL AFFAIRS

INVITATION TO ATTEND PARIS EDUCATION MEETINGS

Mr. René Matte (Champlain): Mr. Speaker, I wish to direct a question to the Secretary of State.

Could he tell the house whether the government has been officially invited to the meeting of the Ministers of Education in Paris?

[*English*]

Mr. Speaker: While the matter is being considered—

Some hon. Members: Oh, oh.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Is the Secretary of State absent from the house, Mr. Speaker?

[Mr. Davis.]

[*English*]

Mr. Lambert (Edmonton West): My question is to the Minister of Labour—

Mr. Speaker: Order. I suggest the minister might be allowed to reply to the question asked by the hon. member for Champlain.

Hon. Mitchell Sharp (Secretary of State for External Affairs): The question was not directed to me, Mr. Speaker and I was therefore not quite sure whether I should reply. It was addressed to the Secretary of State. However, perhaps I ought to answer the question. The situation is this: Canada attended the Kinshasa conference as a full member, and incidentally took part in the decision of the conference to hold its second session in Paris. The arrangements arrived at between Ottawa and the provincial governments for Kinshasa worked well, and we have no reason to believe that the same arrangements cannot be applied for the second session; this was made clear last year. I do not think it would be helpful to comment on the suggestion that an attempt might be made to exclude Ottawa from the Paris meeting, other than to say I fail to see how it could be in the interests of any of the authorities concerned to adopt such a policy.

Mr. Robert Muir (Cape Breton-The Sydneys): In view of Quebec's acceptance of the invitation and in view of Canada's representation at the first conference, is it the government's intention to send a representative, having regard to its declared commitment to assist French speaking African states?

Mr. Sharp: I thought my answer was quite clear. We do not need an invitation. We have already been invited.

[*Translation*]

Mr. Caouette: Mr. Speaker, I wish to put a supplementary question.

Could the minister tell us who would represent Canada as Minister of Education at the Paris meeting?

[*English*]

Mr. Sharp: The arrangements were worked out with the Quebec government which was, I believe, quite satisfied, and I hope they can continue in Paris.

[*Translation*]

Mr. Caouette: Mr. Speaker, could the—

Mr. Speaker: Order. I have already allowed a few supplementary questions, I think that we should move on to something else.

Mr. Caouette: Mr. Speaker, on a point of order.

Only one supplementary on that point, and I will be finished.

Mr. Lambert (Edmonton West): So will we.

Mr. Speaker: Order. I will return to the hon. member for Témiscamingue in a few moments.

[*English*]

AIR CANADA

STRIKE OF MECHANICS—INQUIRY AS TO MATTERS IN DISPUTE

Hon. Marcel Lambert (Edmonton West): My question is directed to the Minister of Labour. Yesterday I put the following question to the hon. gentleman:

> I am just asking the minister, because of his interest—I am sure his interest is shared by all—in getting this dispute settled, whether he will tell the house in general terms just what might be the issues.

The minister replied: "The answer is no."

Will the minister now tell the house what he told the radio and television commentators outside the house—information he refused to give inside the house in reply to this question?

Hon. Bryce S. Mackasey (Minister of Labour): Earlier in the question period the hon. member for Edmonton West posed the following question—in fact, it was in the nature of a statement or a suggestion:

> Perhaps the minister could take the house and the country into his confidence and tell us in general terms—we are not asking for the dollars and cents—whether it is a question of wages, fringe benefits, seniority; or what are the problems?

To which I replied:

> Mr. Speaker, the hon. gentleman has done a very capable job of outlining the problems yet to be resolved in all these areas.

That is precisely what I said on television ten minutes later.

Mr. Lambert (Edmonton West): That is not so.

TRADE

WHEAT—DEMAND BY JAPAN FOR REBATE ON INFERIOR QUALITY

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I wish to address this question to the Minister without Portfolio temporarily in charge of the Wheat Board. Did the Japanese food agency demand $300,000 U.S. in compensation for rain-damaged wheat supplied in November, and did the Wheat Board offer to supply wheat free of charge—as they have some left over—and, if so, was a settlement reached?

Hon. Otto E. Lang (Minister without Portfolio): There were discussions between the Japanese and the Wheat Board in connection with wheat, not damaged but different in quality from what they had expected to receive, and these discussions are not yet in every respect completed.

Mr. Don Mazankowski (Vegreville): Would the Minister without Portfolio from Saskatchewan advise the house whether the delay in the settlement of this claim has had an adverse effect on future sales to Japan?

Mr. Lang: No, Mr. Speaker, it has not had an adverse effect.

Mr. A. P. Gleave (Saskatoon-Biggar): May I address a supplementary question to the Minister of Agriculture in connection with this situation? Will he take steps to investigate the circumstances with relation to the Board of Grain Commissioners to find out how such a substandard shipment could have been made?

Hon. H. A. Olson (Minister of Agriculture): From a technical point of view, the Board of Grain Commissioners has assisted the Wheat Board in all aspects relating to the testing of samples, and matters of that sort. This information has been made available to the Canadian Wheat Board.

THE MINISTRY

CONSTITUTIONAL PROPRIETY OF CONTINUED SERVICE FOLLOWING RESIGNATION

Mr. Andrew Brewin (Greenwood): I want to ask the Prime Minister a question which does not relate directly to housing though it relates to the question of resignations from the government. I ask it subject to your direction, Mr. Speaker. Has the Prime Minister given consideration to, or taken advice upon, the question of the constitutional propriety of the Minister of Transport remaining as a minister of the Crown for approximately a week after having openly expressed lack of

confidence in government policies and disagreement with them?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker.

Mr. Brewin: What was the result of that consideration?

Mr. Trudeau: The result I announced to the house, Mr. Speaker.

Mr. Thomas M. Bell (Saint John-Lancaster): In view of the resignation of the Minister of Transport, will it now be possible to get Bill Lee through the Prime Minister's switchboard?

Some hon. Members: Oh, oh.

SPORTS

NATIONAL HOCKEY TEAM—CO-OPERATION FROM N.H.L. TEAMS

Mr. C. Terrence Murphy (Sault Ste. Marie): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of the urgency of planning now, if our National Hockey team is to make a creditable showing in next year's competitions, and in view of the recent announcement that Toronto Maple Leafs will make three of their players available for the team next year, can the minister tell the house if this type of co-operation is expected from the Montreal team?

Mr. Speaker: Order please. I always hesitate to refuse questions relating to hockey. Perhaps this one might be adjourned until ten o'clock.

THE GOVERNOR GENERAL

REQUEST FOR EXTENSION OF VISIT AT CHURCHILL

Mr. Robert Simpson (Churchill): Mr. Speaker, may I direct a question to the Prime Minister. I refer to the current visit of His Excellency the Governor General to the northern regions of Canada. In that connection would the government consider suggesting a more lengthy visit to the town of Churchill, Manitoba, than is presently contemplated?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, on these questions I give very general advice to the Governor General.

[Mr. Brewin.]

PUBLIC SERVICE

UNDUE EXTENSION OF BILINGUAL REQUIREMENTS

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): Mr. Speaker, may I direct a question to the Prime Minister which arises out of recent extramural statements made by his parliamentary secretary. Was the parliamentary secretary to the Prime Minister stating the view of the government when he said that departmental directives have pushed civil servant bilingual requirements beyond the intent of the legislation by parliament.

Mr. Speaker: Order please. The hon. member knows that questions asked about statements made outside the house may only be put where they relate to statements made by ministers. I would not think this rule extends to parliamentary secretaries. I will say no more.

POST OFFICE DEPARTMENT

REQUEST FOR RETURN OF SIX-DAY MAIL DELIVERY AND COUNTER SERVICE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Communications in his capacity as Postmaster General. I ask it seriously and hope he will give it serious consideration. Since there are now only three days in the week, Monday, Tuesday and Wednesday, when we can mail letters with any assurance they will be delivered promptly, will the minister take a new look at the entire question of the five-day delivery week and review the possibility of re-establishing a six-day delivery.

Some hon. Members: Hear, hear.

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, the answer is no.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, would the minister like to discuss this question some night at ten o'clock?

Mr. A. D. Hales (Wellington): May I direct a supplementary question to the Postmaster General, Mr. Speaker. While he is considering this matter would he also consider keeping post office counters or lobbies open on a six day a week basis.

Mr. Kierans: Mr. Speaker, they are already open on a six day a week basis in many areas.

SUGGESTED DELAY IN CLOSING OF SMALLER OFFICES

Mr. R. E. McKinley (Huron): A supplementary question to the Postmaster General, Mr. Speaker. Would the minister consider delaying the closing of some of the smaller post offices throughout the country until other major problems in the post office have been straightened out?

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, we are proceeding on a number of different fronts. Last night I had dinner with the executive of the two national unions and we had a very good general discussion. There is now no need to reduce our efforts in one area in order to speed them up in another. I think most hon. members know, or have already noted, that service out of Ottawa has become considerably improved.

Some hon. Members: Oh, oh.

Mr. Kierans: If hon. members opposite have not noticed that, at least some members of the press gallery have. Distinct improvements throughout the post office are taking place.

INSTALLATION OF ADDITIONAL STAMP VENDING MACHINES

Mr. Mac T. McCutcheon (Lambton-Kent): A supplementary question, Mr. Speaker. Last September the Postmaster General announced a program to instal additional vending machines for stamps. When is that program to start?

Hon. Eric W. Kierans (Minister of Communications): We are at present actively engaged in that program, Mr. Speaker. Because of the changed design of our 25 cent pieces our first priority was to redesign existing machines.

THE MINISTRY

REQUESTED SEPARATE PORTFOLIOS FOR TRANSPORT AND HOUSING

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, may I revert for a moment to the question of housing. I address my question to the Prime Minister and ask him whether he would consider that this is an appropriate time to implement something that many people in this country have been urging for some time, the establishment of two different portfolios with respect to transport and housing, so that we could have a minister of transport and another minister to take charge of the housing field.

Inquiries of the Ministry

FLOODS

TRAIL, B.C.—ACTION TO CONTROL EMERGENCY SITUATION

Mr. Bruce Howard (Okanagan Boundary): Mr. Speaker, may I direct a question to the Prime Minister. Has the government of British Columbia asked for emergency help to cope with the flooding situation at the city of Trail, British Columbia. Has the demand been for financial assistance or for assistance under the Emergency Measures Organization. If so, is the government giving favourable consideration to this demand.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we have had reports of some floods, starting in British Columbia in the area of Trail. Our indication of this moment is that neither the military nor the E.M.O. have received any request from the provincial or municipal authorities for help in combatting the situation. At the moment it is therefore considered a local problem which is dealt with by local volunteers.

INQUIRY OF THE MINISTRY

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, may I direct a question to the Prime Minister. May I ask whether, in view of the wording of the motion now before the house, he accepts it as a motion of confidence. If defeated, is he prepared to resign? I ask this question in view of what took place on another, similar occasion a little over one year ago.

Mr. Speaker: Order please. I think the hon. member will have to see what the result is.

ARTS, LETTERS AND SCIENCES

EXPENDITURES FOR NATIONAL MUSEUMS

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Secretary of State. In view of the crisis in Canada's national museums, as represented by the resignation of Dr. Banfield, the director of the Museum of Natural Sciences, what action does the minister contemplate taking to restore confidence in this important cultural activity.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the board of directors of the corporation which comprises the National Museums is presently studying this question

and will be making recommendations to us. The matter is also being studied within the department.

[*English*]

Mr. Dinsdale: A supplementary question, Mr. Speaker. Will the Secretary of State use his influence with the government to launch the development program deferred by the government back in 1965, which is the crux of the problem.

Mr. Speaker: Order please. The hon. member is making a representation to the government which, I assume, has been noted.

AIR CANADA

STRIKE OF MECHANICS—CULPABILITY

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the Minister of Labour. Yesterday, answering the hon. member for Edmonton West, the minister said while speaking of the Air Canada mechanics strike as reported at page 7858 of *Hansard*:

> I will have no hesitation in telling the house and the country who is the culprit, if there is a culprit, in the dispute.

Does the Minister of Labour not realize that in that statement he is questioning the word of his Prime Minister?

Mr. Trudeau: You are the culprit.

Mr. MacInnis: Mr. Speaker, I do not know whether the Prime Minister's remark is on record. He has just indicated that I am the culprit.

Some hon. Members: Hear, hear.

Mr. MacInnis: Mr. Speaker, in order to show the Minister of Labour just where he is questioning the Prime Minister may I refer to page 7623 of *Hansard* for April 17—

Mr. Speaker: Order, please.

Mr. MacInnis: —where the Prime Minister definitely identified the union.

Mr. Speaker: Order please. It seems to me that this is becoming a debate.

STRIKE OF MECHANICS—TRANSPORTATION OF PERISHABLE GOODS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question

[Mr. Pelletier.]

to the Prime Minister. Answering a question last Friday, he indicated that any problems related to the handling of perishable commodities ought to be directed to the Minister of Transport.

Mr. Baldwin: He has become a perishable commodity himself.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Since many hon. members are receiving complaints from their constituents, may I ask to whom these problems are now to be referred, particularly since because of limited facilities, Canadian Pacific Airlines have refused to take any air cargo. What minister will be in charge of these matters from now on?

Right Hon. P. E. Trudeau (Prime Minister): Any such complaints should be directed either to the Canadian Transport Commission or to the minister, directly, Mr. Speaker.

EDUCATION

EMPLOYMENT OF CANADIAN SCHOLARS IN CANADIAN UNIVERSITIES

Hon. Robert L. Stanfield (Leader of the Opposition): I would like to ask the Minister of Manpower and Immigration whether he is concerned about any difficulties that Canadian scholars may be having in securing employment in Canadian universities? I ask him this question in full recognition of the fact that such matters are within provincial jurisdiction, and of course hirings are made by the universities. Is the Minister of Manpower and Immigration concerned about difficulties Canadians may be having in this area?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I would prefer to see an increasing number of Canadian scholars seek employment in Canadian universities. I am afraid the department cannot go beyond that.

Mr. Stanfield: I have a supplementary question, Mr. Speaker. Is the minister sufficiently concerned that he is making inquiries as to the cause of such difficulties, and whether there exists any unfortunate situation which might be influenced in a proper way?

Mr. MacEachen: The answer is yes, Mr. Speaker.

COMMUNICATIONS

INVESTMENT RETURN FROM TELESAT

Mr. Ed Schreyer (Selkirk): My question Mr. Speaker, is directed to the Minister of Communications. Can the minister explain to the house how it was possible for him to say in reply to a question in the standing committee the other day that he was not in a position to indicate what the government target was in terms of a return on an investment in the Canadian Telesat Corporation, and then two hours later give that information to the press?

Mr. Speaker: Order, please.

Mr. Schreyer: Mr. Speaker—

Mr. Speaker: Order. Before the hon. member questions my judgment, perhaps he should allow me to indicate that I think this is purely argumentative and not the type of question in any event which can properly be asked at this time.

Mr. Schreyer: May I submit to Your Honour what I consider might be regarded as a question of privilege. It would be on a subject concerning which the minister refused to give information in committee, and very soon thereafter gave specific information to the press.

Mr. Speaker: It may be difficult to explain, but I would think it is still not a question of privilege. If it were put as a question of privilege, I would have to consider it, but I gather this is not what the hon. member has done at this time.

Hon. Eric W. Kierans (Minister of Communications): On a question of privilege, Mr. Speaker: In reply to the question raised by the hon. member—

Mr. Speaker: The minister may have a question of privilege on his own, but I have not allowed the hon. member for Selkirk a question of privilege and I have not allowed him to ask the question. I doubt whether the minister can now reply to a question which has not been allowed.

Mr. Kierans: On a question of privilege, Mr. Speaker. The reports in the press were taken entirely from the hearing. I spoke to no member of the press afterwards, to the best of my knowledge. During the hearings of the committee I did say I hoped that the corporation would achieve a profit between 8 and 12 per cent. This is the basis for the reports which appeared in the newspapers.

29180—500

Inquiries of the Ministry

Mr. G. W. Baldwin (Peace River): On the point of order which Your Honour raised, may I say this practice is now becoming so shockingly prevalent that Your Honour might give consideration to varying the rule you have properly propounded. This procedure has prevailed in the past, that of ministers saying one thing in the house and saying something different outside the house. It has become so widespread and prevalent, Your Honour might give some thought to this matter.

Mr. Kierans: On a question of privilege, Mr. Speaker—

Mr. Speaker: We are not making much progress. The minister made his point on a question of privilege. He has assured the house that he did not make a statement subsequent to his evidence given in committee. I do not see why the matter should be pursued further.

IMMIGRATION

RUDOLPH HOLATA—PROTEST AGAINST HOLDING IN CZECHOSLOVAKIA

Mr. Steven E. Paproski (Edmonton Centre): On a point of order, Mr. Speaker: I asked the Minister of Manpower and Immigration about a very serious matter the other day, and he was not in the house yesterday. It concerns Rudolph Holata who has been held in a Czechoslovakian prison. I do not know what is happening to him. He is a member of the Department of Transport.

Mr. Speaker: Order, please. I am sure the house would not mind the reply being given at this time.

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I am aware of the interest of the hon. member. However, I have investigated the case and I find it is a matter within the jurisdiction of my colleague, the Secretary of State for External Affairs.

Mr. Paproski: Can he answer it, Mr. Speaker?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker—

Some hon. Members: Order.

Mr. Speaker: The President of the Privy Council can be recognized in a moment. The minister has been allowed to reply to the question in the time allocated for questions.

Perhaps we might dispose of that point, and then I will recognize the President of the Privy Council.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the hon. member for Edmonton Centre asked the Minister of Manpower and Immigration whether the government knew Mr. Holata had been arrested in Czechoslovakia and whether presentations had been made on his behalf.

The Canadian embassy in Prague learned on January 6, 1969, of the arrest of Mr. Holata, a dual national who emigrated to Canada in 1951 and obtained Canadian citizenship in 1957. Mr. Holata, who is employed as an electrician by the Department of Transport at Vancouver international airport, was arrested while visiting his parents in Joblanec for Christmas, and is charged with espionage on behalf of a nation other than Canada. The charge pertains to incidents which occurred prior to his immigration to Canada. Consular access was granted to the representatives of the embassy on January 23, 1969. The trial, which was to be held in early March, has been postponed pending completion of documentation by the prosecution. The embassy is providing all possible assistance to Holata and continues to press the Czechoslovakian authorities for an early trial.

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, in response to the inquiry about the business for the coming week, tomorrow we will call the omnibus bill to amend the Criminal Code. On Monday we will call it again. What the business will be for the balance of the coming week will depend very much on the progress made on that bill. Thursday will be an allotted day.

In view of the expressed intention of the Ralliement Creditiste to continue *ad infinitum* the debate on the Criminal Code bill, I think we can assume that for several more days at least we will be discussing that bill.

I will advise the house of any change in order of business.

Mr. James A. McGrath (St. John's East): Would the Chair permit a question on government business to the house leader? Would he tell the house when he expects to bring forward the debate for concurrence in the fifth report of the Transport Committee, in order to prevent the honourable and distinguished chairman of that committee from resigning and following in the steps of the hon. member for Trinity?

Mr. Macdonald (Rosedale): I assume the hon. member and his colleagues will continue to filibuster that matter, so there seems little point in bringing it forth again.

Mr. Stanley Knowles (Winnipeg North Centre): May I ask a supplementary question with respect to the comments of the President of the Privy Council? Would he consider, perhaps on Monday or Tuesday, calling a meeting of the house leaders to see if we might reach an agreement in regard to the time to be spent on Bill C-150?

Mr. Macdonald (Rosedale): I would be glad to make those efforts again, but I can advise the hon. member and the house that repeatedly in the past several days I have sought to see if there was any change in the position of the Ralliement Creditiste and that I failed to get any indication that an agreement would be possible.

Mr. Knowles (Winnipeg North Centre): Possibly we could help you.

GOVERNMENT ORDERS

NORTH ATLANTIC TREATY ORGANIZATION

MOTION FOR APPROVAL OF GOVERNMENT POLICY

The house resumed, from Wednesday, April 23, consideration of the motion of Mr. Trudeau:

That this house supports the government's policy of continued Canadian participation in the North Atlantic Treaty Organization and the intention of the government, in consultation with Canada's allies, to take early steps to bring about a planned and phased reduction of the size of Canadian forces in Europe.

And the amendment thereto of Mr. Stanfield (p. 7875), and the amendment to the amendment of Mr. Douglas (Nanaimo-Cowichan-The Islands) (p. 7880).

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, so far this debate has produced two amendments to the motion put forward by the government, one from the Official Opposition and one from the New Democratic party and, if I may say so,

both these amendments were predictable. The amendment proposed by the Leader of the Opposition (Mr. Stanfield) is very good at negatives, but it fails to propose any alternative to the policies that the government has put forward. The amendment moved by the Official Opposition contends that Canada is retreating from internationalism to isolationism, according to the Prime Minister's (Mr. Trudeau) statement. But surely the Prime Minister's speech and the statement he made on April 3 indicate that the government is moving in exactly the opposite direction, in an outward direction in favour of more internationalism and less isolationism.

Some hon. Members: Hear, hear.

Mr. Sharp: The Prime Minister's statement makes it very clear that Canada is broadening its horizons in every direction and is intent on playing a still more active role in world affairs. There was an absence of constructive, Conservative suggestions in the speech made by the Leader of the Opposition. I did not hear a single one although I listened most attentively to a very good political speech by him, a speech completely lacking in constructive suggestions. I really did admire the way in which he put in the needle, but the trouble, Mr. Speaker, was that there was nothing in his speech. It was just emptiness. It was without any constructive suggestions as to what Canada should do in the world today.

I suggest that the debate so far has indicated that it is the Conservative opposition which is isolating itself in this house. Members of the government party and of the New Democratic party have proposals to make, but what the Leader of the Opposition has said is, "Let us not disturb anything. It is now nice and comfortable. So far as my party is concerned I will not put forward any proposals for change."

An hon. Member: Where are your proposals?

Mr. Sharp: We have a motion before the house in very clear terms, and the Leader of the Opposition has done nothing but condemn the government for its statement. The subamendment offered by the New Democratic party does some condemning too, but at least it also makes some positive suggestions. The problem with their amendment, however, is one which appears to haunt that party. It is based not on the world as it is but on a world that they would like to think exists. But the government is in a position of responsibility and it has to deal with the world as it is. Canada and Canadians have to operate in a world that is much more dangerous and complex than members of the New Democratic party would lead us to believe.

The Leader of the Opposition has developed a complicated line of reasoning to suggest that in some way the government has determined upon its defence policy before settling upon its foreign policy. The superficiality of this argument becomes obvious when we consider the circumstances under which we are having this debate.

The government felt under an obligation, and certainly as Secretary of State for External Affairs I urged this upon the government, to give to our NATO allies as much information as we could about our future position before the Washington meeting of our NATO friends. It would have been very simple for the government to limit its announcement, in contemplation of that meeting, to its decision to remain in NATO. That would have been the simplest thing to do. It would have avoided the kind of debate we are having now. We could have avoided any mention of our decision to reduce, in due course and in an orderly way, the size of our forces on the ground in Europe.

I can well imagine the accusations that could properly have been made against the government if we had simply announced our intention to stay in the alliance prior to that meeting, and then later let people in on the fact that we intended to reduce our forces in Europe. That would have been dishonest. That would have been concealing. We felt that the only frank and honest thing we could do was to convey to our allies, first, our foreign policy decision to stay in the alliance and, second, our military decision, still incomplete, to reduce our forces in Europe. I say that this decision is still incomplete since it cannot in the nature of things be completed, and it was impossible for the government to have gone any further at that stage than to make the decision it made on April 3. I say to the Leader of the Opposition who made so much of this argument, who said the government's statement was deliberately intended to mean different things to different people, that it would have been quite impossible for us, in advance of our consultation with our allies, to have gone any further than we did at that stage.

As I say, we had an alternative. We could have said nothing. Then we could have been charged with deceit. As it is, I suggest to the

Leader of the Opposition that we are being as frank and honest as it was possible for us to have been under the circumstances.

We said that the planned and phased reduction in our forces in Europe will be made in consultation with our allies. We have not undertaken to consult our allies on whether or not we should reduce our forces in Europe. This decision has been made by the government and is not, as such, negotiable. However, we will be consulting our allies about how this decision is to be put into effect. This is no more than the responsible behavior to be expected of this country.

The other NATO nations may wish to make adjustments arising from Canadian reductions in strength in Europe, and we will certainly want to carry out our plans causing the least possible difficulty to our allies who are also, it should be remembered, among our oldest and closest friends in the international community. As a matter of fact, under cross-examination at a press conference in Washington I said it was not our intention by our action to weaken the alliance, and that remains the policy of Canada.

Without attempting any general definition, let me make even more clear what we mean by consultation in these circumstances. As we work out how we are going to make the planned and phased reduction of our forces in Europe we will keep our allies informed, listen to their views, and discuss the matter with them. The problems they face, and the views they express, will be taken into account in our decision-making process, but eventually the decision can only be made by the Canadian government, having regard to our national interests, our capacities and our objectives.

• (3:10 p.m.)

In the course of his remarks yesterday the Leader of the Opposition seemed to be confused about the timetable of our decision-making process with regard to the planned and phased reduction of our forces in Europe. He tried to ridicule the apparent conflict in the statements made by the Prime Minister, the Minister of National Defence (Mr. Cadieux) and myself on the decisions and when they would be made. This, I suggest, is a confusion of his own making. I expect that my colleague, the Minister of National Defence, will explain this timetable more fully in the debate. I shall content myself by setting out in the most general terms the steps as we expect them to occur.

[Mr. Sharp.]

Mr. Stanfield: Explain what you said at Washington.

Mr. Sharp: I will—all consistent with the government's policy. The decision in principle about Canada's future in NATO was announced on April 3. That was the first decision the government made. The NATO defence planning committee meeting in May will provide an occasion for us to outline in general terms to our allies how we propose to proceed with our program of planned and phased reduction of our forces in Europe. As I said, we have to make a decision before we put a proposal before our allies. We have to make that decision and there is nothing abnormal about that. This is the normal process of decision-making on force commitment in NATO which leads to the annual meeting of foreign and defence ministers in December when each country is required to make firm force commitments for the following year. So each of us was speaking about the respective decisions and was speaking within the terms and text of the NATO treaty. If my hon. friend does not know what is in the treaty, he should read it.

Mr. Stanfield: I read it.

Mr. Sharp: The fact that the decision-making process with regard to our military presence in Europe is still going on while the basic decision to stay in NATO could be announced on April 3 shows clearly how defence policy flows from foreign policy. We had to assess the importance to us of our membership in the alliance having regard to our other responsibilities and areas of interest. We had to make our own judgment of the usefulness of NATO to us as a means through which we can contribute to international stability and as an important element in our relations with Europe. We had to study NATO's capacity as an instrument for increasing contacts and improving relations with the U.S.S.R. and its associate states. These are by no means all of foreign policy considerations that went into our review of our place in NATO, but they are among the more important. It was only after we had dealt with all these and other foreign policy questions that we could turn our minds to the effect of our political decision upon our defence arrangements.

Foreign policy decisions must take into account Canada's position in tomorrow's world. The 1970's will be a period of accelerating economic, technological and social change, accompanied by persistent

political and ideological rivalries and tensions, and by continuing civil unrest in many countries. We are not yet into the 1970's but still unrest is spreading and rising from many of these factors.

Mr. Stanfield: Even in this chamber.

Mr. Sharp: Could be, and even in this country.

An hon. Member: Even in this chamber.

Mr. Sharp: Even in that party.

An hon. Member: No.

Mr. Sharp: When I listened to the Leader of the Opposition and the kind of speech Dalton Camp made I wondered whether Dalton Camp ever belonged to that party.

It may also prove to be a time of hopeful evolution and promise in the relations between the western and Soviet worlds. There is a prospect of Soviet-United States talks on the limitation of strategic arms beginning soon, and substantial great power conversations on basic political issues such as the Middle East and in due course the problems of a divided Europe. There is beginning to be a real hope, shared by our partners in NATO, that a start can now be made on the long and difficult process of political and military de-escalation between east and west. Evolution, change, unpredictability—in this world situation Canada must be in a position to adapt its policies and its outlook quickly, flexibly and effectively to the challenges of the future. We must not isolate ourselves in the problems of the past.

Some hon. Members: Hear, hear.

Mr. Sharp: As hon. members know, several of my colleagues and myself have just returned from several days in Japan. Coming as it did in the midst of our discussions of our NATO policy, this experience has been a most timely one for us. One gets a very different perspective on Canada from the other side of the Pacific. From Tokyo it is the west coast that is seen in high relief, in sharp focus; it is eastern Canada that lies behind the wide prairies and is more dimly perceived. Japan may soon be our second best customer, rivalling Britain.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the minister but his time has expired.

Some hon. Members: Carry on.

The Acting Speaker (Mr. Béchard): Does the house give unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Stanfield: No, Mr. Speaker. I do not want to be small about this, but it was agreed as an order of the house that the opening speakers in each party would have 40 minutes, or whatever the time limit provided is, and that everybody else would be confined to 15 minutes.

An hon. Member: I thought you wanted to hear all about it.

Another hon. Member: He hasn't said anything yet.

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

Mr. Stanfield: I rise on a point of order, Mr. Speaker. I object to any minister of this government calling out that I do not want to hear the Secretary of State for External Affairs when all we are asking is that ministers conform to the order adopted by the house after discussion among all parties in the house. I resent that.

The Acting Speaker (Mr. Béchard): Order, please. It is correct that there is a special order of the house that speakers will have only 15 minutes except for the mover of the motion and the Leader of the Opposition.

Mr. Brewin: Mr. Speaker, may I ask the minister whether he could conclude his speech in five minutes? If he can, I suggest we give consent.

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Béchard): There is no unanimous consent.

Mr. Broadbent: Mr. Speaker, on a point of order, I wonder whether the house would give serious consideration to allowing the Secretary of State for External Affairs an extra few minutes. I think this would be an act of courtesy by those on this side of the house.

Mr. MacInnis: He is only speaking about degrees of honesty anyway.

The Acting Speaker (Mr. Béchard): The hon. member for Calgary Centre.

NATO

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, the Secretary of State for External Affairs (Mr. Sharp) spent some time on what was bound to be an unsuccessful attempt to explain the unexplainable so far as the conflicts are concerned in what he, the Prime Minister (Mr. Trudeau), and other ministers have said. In addition, he gave us a few generalities. The only definite point in his speech was that he made it plain that the consultation referred to in the motion means no more than telling our allies in NATO that our troops will be withdrawn and advising them to take the necessary steps to fill the gap. That is all the consultation amounts to. This is the one thing the Secretary of State for External Affairs did make clear.

The motion of the Prime Minister is in two parts. The first part states that Canada will remain in NATO. The second part states that we will withdraw from NATO our forces in Europe. It is quite evident that the two parts of the resolution are in direct contradiction of each other and therefore in essence the motion is a fraud.

• (3:20 p.m.)

During the past year there has been almost complete confusion as to the government's intentions in respect of NATO. This has been the result of the conflicting statements of the Prime Minister and other ministers about what the government intended to do in so far as NATO was concerned. The present motion and the Prime Minister's statement and explanation of it continue this confusion. We now know definitely that it is the intention of the government to remove a number of our troops from Europe. As pointed out yesterday by my leader, we do not know whether a few or practically all our forces in Europe will be withdrawn. The confusion still exists and we are still up in the air in this regard.

We must consider the whole matter in conjunction with the Prime Minister's earlier statements, both before he occupied his present position and since. For the most part these statements, particularly some of his earlier ones, were definitely along the line that Canada should withdraw its forces from NATO. Thus the only conclusion I can come to is that the Prime Minister intends to end our military contributions as quickly as possible.

An hon. Member: Hear, hear.

Mr. Harkness: An hon. member opposite applauds. There is no doubt that his attitude is shared by a few members but not by the majority in this chamber, including many on the Liberal side.

[The Acting Speaker (Mr. Béchard).]

Let me put this another way. The Prime Minister's policy is one of scuttle—get out just as fast as possible. This is the same policy General de Gaulle followed. The only conclusion one can come to is that the Prime Minister is using General de Gaulle as an example in this regard and intends to do exactly the same thing, with perhaps one difference in that he intends to do so in slower stages. The final result will be the same.

Yesterday the Prime Minister in effect accused those of us who do not agree with his views in respect of NATO of living in the past. As recorded at page 7867 of *Hansard* he said:

> Canadians must be prepared to face the world of actuality, the world of 1969.

That is exactly what the Prime Minister is not doing. He does not recognize that the basic threat to our security which brought NATO into existence in the first place still exists and that we have a responsibility to continue to play a role commensurate with our population and resources to counter that threat.

A great deal of wishful thinking has taken place in the last few years along the lines that the aggressive intention of Russia has disappeared and that a period of détente has occurred. Some people believe that all that is necessary is to treat Russia with kid gloves and in a nice way and this détente will continue. The events in Czechoslovakia last year ended these illusions very abruptly for most people. It did not end them for everybody. These events ended the hopes of those people in Europe who are under a direct threat. This was made abundantly clear to the members of the Standing Committee on External Affairs and National Defence who spent two weeks in Europe immediately before Easter. This was the reaction we observed in every country we visited, whether a NATO country or a neutral country such as Switzerland or Sweden.

Let me point out that the first object of the foreign and defence policy of any country is to maintain its security and independence. In the past many countries were able to do this on their own; however, that time has long passed. Security and independence can only be maintained now by most countries, particularly countries of our size, and I have in mind population, through alliances with like-minded nations. These people face the same

dangers and must combine to resist these dangers.

The most important of these alliances to our security during the past 20 years has been NATO. The purpose of that alliance throughout its existence has been the maintenance of peace and to prevent a third great war rather than having to fight such a war. This deterrent role of the alliance must be emphasized and re-emphasized because many people still think of NATO as an organization designed to fight a war rather than to prevent one. The alliance has prevented a major war or further aggression in Europe during the past 20 years. It can continue to do so only if it remains strong, and it will only remain strong if its members continue to contribute military forces relative to their ability to do so.

This is the very thing the present government through this motion is proposing to end. We will not contribute military forces to the alliance with any relationship to our ability, population and resources to do so. We will not be contributing forces in relation to any other factor. I am sure everyone will agree that France's withdrawal of its troops from the NATO alliance seriously weakened it. The result has been that other countries have had to increase their contribution to make up for the loss of French forces. Surely no one would attempt to argue that the withdrawal of Canadian forces from NATO will not further weaken the alliance.

While it is true that our forces are relatively small in numbers, they are very highly trained and very efficient, probably more so than any others in Europe. This again was made plain to us during our trip overseas. The withdrawal of Canadian forces will create a gap which will be hard to fill. This was also impressed upon us by the people in Europe.

More important than the military loss as a result of the withdrawal of Canadian troops is the psychological effect and the feeling it will produce in European countries. They will begin to feel that we are retreating to the American fortress and that they cannot count on us to give them help in the event of war. This is bound to result in a decline in morale and the feeling that perhaps the other small members of the alliance should do the same thing.

The Prime Minister has discounted the so-called domino theory that because one country takes a certain line of action others are likely to follow. The theory is that because a country such as Canada withdraws from NATO other European countries are likely to do the same thing. That may be his opinion and the opinion of some members of the committee, but it was not the opinion of one single individual we talked with in Europe. The European people were unanimous, including those in neutral countries such as Sweden and Switzerland, that a Canadian withdrawal of troops from NATO would weaken the alliance and have the effect of increasing this already existing feeling in the small European countries, with the result that they might follow Canada's example and do likewise. Therefore we must keep in mind the psychological effect from both these factors, that of perhaps inducing other people to follow the same course, and that of making the Europeans feel they are more isolated and cannot count on our help. These psychological effects will be very serious indeed.

• (3:30 p.m.)

The Prime Minister stated, as recorded on page 7869 of *Hansard*:

> The government's NATO decision is based on the belief that, during the forthcoming years, there are better uses of the Canadian forces—

I ask the Prime Minister and every other member of the house, what better uses are there for Canadian forces than their use in NATO? How can they contribute more to Canada's security than by the role they are playing in NATO at the present time? I have given this question considerable thought, and I think I have some knowledge and experience in these matters. I can think of no single way, not one, in which Canadian forces could do more for the security of this country, the maintenance of peace and the independence of this country than the role they are discharging in Europe at the present time.

Some hon. Members: Hear, hear.

Mr. Harkness: The various statements the Prime Minister has made, particularly in his speech in Calgary, have left the impression that nearly all of our military forces are devoted to NATO. This, of course, is very far from being the case; it is a complete distortion of the facts. We are supposed to have about 100,000 people in our forces, though we are admittedly not up to strength, and only about 10,000 of them are on NATO service in Europe or about one-tenth of our forces. It is true that our maritime forces have a NATO-commitment, it is true that we have other possible commitments to NATO from the forces in Canada; but the fact is that the

great bulk of our Canadian forces are not oriented to NATO or committed to NATO. The bulk of our forces are available for the other tasks the armed forces have to perform, the protection of the land, sea and air of our country, NORAD, peacekeeping missions, and so on. I object to the Prime Minister trying to convey the impression to the people of Canada that practically all our forces are devoted to NATO. This is just not so. Quite a small number of our forces proportionately are devoted to that end.

I repeat, in closing, what I said at the beginning of my remarks. The Prime Minister's policy is one of scuttle; it is a retreat to isolationism and continentalism, as stated by my leader yesterday and expressed in the amendment moved by this party, which I hope will receive the support of the house.

Mr. Norman A. Cafik (Ontario): Mr. Speaker, I rise to speak in this NATO debate primarily because I am a member of the Standing Committee on External Affairs and National Defence and have been since the beginning of the 28th parliament. As such I have some strong views in this regard and I would like to express those views today in the House of Commons. Prior to doing so, may I say I think it is important that the House of Commons and the people of Canada realize the scope of the study made by the committee on this very important problem.

On Thursday, January 16, 1969, pursuant to an order issued by the House of Commons, our committee was given the obligation of looking into policy changes in defence and external affairs. Following this, we held 24 meetings in Canada and heard evidence pro and con from people with divergent views, ranging from getting completely out of NATO, to staying in and getting in much more deeply, or to becoming an unaligned, neutral country. Name it, and we heard about it in that committee. In Canada we received testimony from 16 witnesses, and between March 8 and March 22 we travelled to Europe in order to see for ourselves the role our forces were playing in Europe and to discuss these problems with leaders and representatives of other countries. We also looked into the possibilities of neutrality in Sweden, and peacekeeping operations in Cyprus.

I speak on this subject because I think it is important that we establish the scope and depth of the study given this matter by the committee. But there were also certain limitations, the primary limitation being time. We found ourselves faced with a fact that we could not ignore, namely, the Washington NATO meeting on April 10, wherein the Prime Minister (Mr. Trudeau) intended to outline broadly the conclusions of this policy review. We were forced, as a result, to come to conclusions prematurely. This is not to say that I back away from any of those conclusions; in fact, I support them very strongly. I did in the committee, and I do so here in the House of Commons.

The important thing is that defence and foreign affairs are not limited just to NATO. There is the whole problem of national defence, which takes in Canadian sovereignty, NORAD, peacekeeping and many other aspects of Defence. We must look at all avenues. Our committee, because of this limitation of time and our being forced to come to a conclusion by certain deadline, had to confine itself solely to our participation in the North Atlantic Treaty Organization. We did not have enough time to hear evidence regarding all aspects even in regard to this limited question. I think every member of the committee would agree with this statement.

Our committee made a report which said that we could not make a recommendation in terms of role or numbers of forces in Europe, or whether we should be involved in a nuclear strike force or maintain a mechanized brigade. We could say nothing with regard to any of these matters. We felt that the matter was of sufficient importance that we as a committee, and the government, give these questions urgent consideration.

There is one element of our report that does not ring entirely true with the government's proposals. Recommendation No. 3 of the report said we should maintain our present role in Europe until such time as the major equipment of our mechanized brigade and air role in Europe was phased out and became obsolete. We made that recommendation in good faith. I think we felt it was quite important. But I am the first to admit that because I did not study the nature of this whole matter there is reason to question even one's own decision in this regard.

An hon. Member: You had lots of chance to study it.

Mr. Cafik: We did not study the question of role.

An hon. Member: Why didn't you?

Mr. Cafik: Because we did not have time. In any event, I would appreciate it if the hon.

member would be kind enough to save his interruptions for another speaker.

I would like to talk about the recommendations made by the committee. The first was that we remain in NATO. If you read the motion before the house today, you must come to the conclusion that this is exactly what the government wants to do.

In our second recommendation, which is a very important one and I think much of the controversy involves this question, we said that Canada should continue to maintain forces in Europe as a contribution to the collective defensive arrangements of NATO. I subscribe to this principle, the vast majority of the members of the committee subscribe to it and, in my interpretation of what the Prime Minister has said, he subscribes to it as well. In this regard I should like to quote the following from the motion:

• (3:40 p.m.)

—to take early steps to bring about a planned and phased reduction of the size of the Canadian forces in Europe.

A reduction is not a withdrawal. I do not think you can reduce the forces to nothing and still be honest with the terms of this motion.

Mr. Woolliams: Who said they were honest?

Mr. Cafik: I believe the Government said exactly what it means—a phased reduction. It is very important to know whether it is going to be reduced to such an extent that our contribution would become token and meaningless. I would be absolutely opposed to that now, and in the future on the basis of the information I now have. However, I do not think that that is the intent of this motion. I think that we are going to maintain our forces in Europe and we are going to play a role in the defence of the free world through our participation in the NATO alliance.

I will give a couple of arguments supporting my belief that it is extremely important that we maintain a physical presence in Europe. First of all I believe, on the basis of evidence, that the real threat to international peace lies in Europe. This is where the two superpowers have sufficient interest at stake that a nuclear war could occur. That is what the NATO alliance is all about, and I believe that is why we must remain a part of it.

The next point is that there is nothing more valuable for us as a parliament to do than to ensure that our government takes appropriate action to preserve peace and avoid a nuclear war. That is in the interest of every citizen, whether he has good or bad housing. Whatever his problem is I think he wants to live more than he desires some of these other things. The preservation of peace is the most important thing. Our job is to determine how we can best achieve this lofty objective. I believe it is very important that we maintain a presence in Europe in order to achieve that absolutely basic and essential objective.

Some hon. Members: Hear, hear.

Mr. Cafik: Some may argue that we can rely upon the nuclear deterrent of the United States or upon the nuclear stalemate between the two superpowers. I say that this is not looking at the whole question, according to the evidence that I have heard from those who gave evidence and who spoke to us in Europe. The problem in Europe is to have a conventional force that would make the nuclear power of the U. S. credible.

If you withdrew all the conventional forces in NATO from Europe, you would do nothing more than to encourage Russia to expand its territory and dominate Europe completely. So we must do something to stop that. It is not reasonable to expect the United States to start a nuclear exchange with Russia, which would surely destroy both countries, in the event that Russia or the Warsaw Pact countries were to move forward a little bit in Europe. It is too monstrous to believe that any rational person would destroy his whole nation over such an issue. So to restrain them we must prove to Russia that we can respond in more than just a nuclear manner. We must have the conventional capacity to wage a conventional war in Europe in order to avoid a nuclear war. I think that that is part of the reason why our troops in Europe are necessary and important.

The third recommendation that we made in the committee regarding the long-term military role of Canada is consistent with phase two of the government's review. However, I would be very interested to find out what their conclusions will be, and I think we would all be interested in making this determination. I do not think you can predict from the resolution exactly what it means or where it leads. I believe the government intends to keep Canadian forces in Europe and to play a meaningful role there.

The fifth recommendation by the committee is in regard to the role played by Canada in NATO toward the achievement of a détente and balanced force reductions in Europe consistent with the Harmel report. I believe that

that is totally consistent with all the statements ever made by the Prime Minister with regard to our foreign affairs and defence policy.

In conclusion I should like to say that I oppose the amendment proposed by the Leader of Her Majesty's Official Opposition (Mr. Stanfield). I do so because I do not honestly and sincerely believe that the government through this motion is retreating into isolationism. There is ample evidence that the government, probably more than any other government that I know of, is doing exactly the reverse. For this reason I cannot support the amendment. Second, I cannot possibly support the amendment to the amendment proposed by the New Democratic party, which in effect calls for real isolationism and for a complete withdrawal from Europe. I do not think this is in the interests of Canada or of the free world. Third, so far as the Prime Minister's motion is concerned I wish to say that I am willing to support it and I do so without any reservation, trusting that we will in effect play a meaningful role in the preservation of peace in this country and in the world. We Canadians have more to lose from a nuclear war than most countries in Europe. We are between two superpowers and we must ensure that they do not engage in nuclear war. I am confident we will play a meaningful, viable and realistic role for peace in the world in which we live today.

• (3:50 p.m.)

[*Translation*]

Hon. Martial Asselin (Charlevoix): Mr. Speaker, we have just heard the hon. member for Ontario (Mr. Cafik) speak eloquently on the trip we made with the committee on external affairs and national defense, in conjunction with the review of Canada's role within NATO.

The hon. member for Ontario seems to have changed his mind quite a bit since that trip on which he was one of those who recommended most strongly to the committee that Canada should continue to keep forces in Europe to participate in NATO's joint defence agreements.

His speech this afternoon contradicts the remarks and claims he made to the committee to the effect that Canada should be allowed, as before, to keep troops overseas under its NATO commitments, and to play the role it should.

During the election campaign, the Prime Minister (Mr. Trudeau) spoke to us of a policy of participation. I wonder if that was his goal in advocating a review of Canada's foreign policy with regard to NATO, for we have heard several ministers say exactly the contrary to what they had formerly advocated in this house.

At this point, I should like to mention the statements made in this house by the Minister of Communications (Mr. Kierans), the Secretary of State for External Affairs (Mr. Sharp), and especially the firm and categorical assertions of the Minister of National Defence (Mr. Cadieux), who repeatedly stated that Canada should stay in NATO and continue in the role it has played for 20 years.

I wonder whether the involved and timid statement of the Prime Minister on the role Canada should now play within NATO and on the reduction of its forces may not have had as sole purpose to save the face of the cabinet and tone down the differences of opinions within the cabinet and amongst government members.

As a matter of fact, Mr. Speaker, there were 17 Liberal members accompanying the delegation on the visits we made across Europe in the course of that trip. I may be mistaken but there were at least 14 of them who shared the opinion now expressed by the opposition, which is that Canada should remain in NATO, take time before reducing its forces and prevent its foreign policy from getting bogged in isolationism and continentalism.

Mr. Speaker, if the Minister of National Defence has, so far, tempered his statements about the position adopted by the cabinet and the Prime Minister, it is due to the fact that he is a very patient man. I am convinced that he shares the opinion of the opposition and whenever he feels he should state that our role within NATO should be maintained in order to preserve world peace and to sustain the prestige of Canada among the concert of nations, he will always win the admiration and support of the members on this side of the house.

Mr. Speaker, as the hon. member for Ontario said earlier, we have indeed visited many countries, including England where we met the Minister of Defence and the Foreign Secretary.

We also have been to Geneva where we met with Mr. Ignatieff, Canada's representative on the disarmament Commission, who said, it substance, that he did not believe that Canada would decide to review its role within NATO with the purpose of curtailing its military forces since by so doing Canada would

jeopardize its prestige in the eyes of the Disarmament Commission of which it is now a member.

As I said a short while ago, we met the Defence Minister and the Foreign Secretary of Great Britain. Even if that country has already reduced its armed forces within NATO, we were asked not to follow suit because this would have dire results for the future of the Alliance.

Mr. Speaker, I do not believe that all the people that we met were wrong all at the same time. The Prime Minister and the cabinet surely cannot convince us that they are the only ones to be right when Canada's role within NATO is under review.

We also visited a neutral country, Sweden, and we know how much this country is spending for national defence in an effort to safeguard its neutrality. We were told that should that country be attacked, it would still go to NATO to find protection for the national territory.

Mr. Speaker, I cannot believe that all those experienced people who live in those circles, who have been dealing with NATO for 20 years, who keep in touch with defence experts, have been backing the wrong horse. I would rather support the argument of the Leader of the Opposition (Mr. Stanfield) to the effect that we should stay within NATO as long as international relations are as tense as they are now.

The Prime Minister said in his speech that he was charged with having made a premature announcement, and, in my estimation, it was.

If we consider what happened recently in Czchoslovakia, we realize that Russia and its satellites have concentrated in Europe considerable forces of an extraordinary mobility that startled our allies. When it invaded Czechoslovakia, Russia initiated an international crisis. Had NATO, a deterrent force, not existed, we can wonder if the Russians would not have invaded Berlin, thus launching another world war.

In my view, that is the reason for the existence of NATO. In twenty years of existence, because of its deterrent capacity, its efforts to reduce international tension and its strength of which it convinced the enemy, the organization was successful in avoiding major and minor conflicts. At present, its role and its existence are still justified, if we do not want another world war to happen.

This is why, Mr. Speaker, I strongly support the amendment moved by the Leader of the Opposition, because I am convinced that it is still the best policy Canada could follow in 1969.

Mr. Speaker, the previous speaker for the Conservative party, the former Minister of National Defence, stated the reasons why we should not withdraw from NATO nor, least of all, reduce our forces.

It is obvious—and all the experts we met during our trip said so quite clearly—that should Canada decide to reduce its forces serving under NATO, it would create some kind of psychosis in the other member countries. It would weaken the morale of those countries which might then be inclined to follow the example of Canada as far as its foreign policy is concerned.

The decision of the present government will contribute shortly to the disintegration of NATO and it will also encourage some NATO members, as I was saying a moment ago, to follow the example of Canada and to reduce their forces.

The government's decision aimed at reducing its forces within NATO is going to diminish the prestige of Canada within international organizations, above all as far as disarmament and détente are concerned in the world.

How shall we be able, in the future, to be a member of the great international organizations which are engaged in disarmament if we are no longer interested in the North Atlantic Treaty Organization? We have allies that we must support and help, and we know also that the best defence for Canada is still that of Europe. Even if the Prime Minister would like to convince Canadians that his policy would enable taxpayers to save money, I think that if he withdrew Canadian troops to ensure a more adequate defence of our territory, Canadian taxpayers would not save anything. If air-borne forces were sent to help the members of the Alliance, I think, with figures to support me, that it would not save money to the Canadian taxpayers but that on the contrary it would entail additional expenditures.

• (4:00 p.m.)

So, Mr. Speaker, I maintain that the government's decision to reduce its forces within NATO will contribute to increase the antagonism of the Warsaw Pact countries.

What struck me most after the statement of the Prime Minister of Canada regarding the review of our role within NATO was that not a single allied country congratulated the Canadian government. We have received official congratulations only from the U.S.S.R.

Now, Mr. Speaker, all hon. members know that the main enemy for Europe, Canada and the United States is still the U.S.S.R. If I were the Prime Minister of Canada, I would beware of congratulations offered me by the U.S.S.R. for a reduction of our forces in NATO.

I feel that this will not lead the Warsaw Pact countries to behave in a more conciliatory manner in dealing with the NATO countries.

Mr. Speaker, I think that this decision is untimely. The Prime Minister should heed the advice of the Minister of National Defence who is supposed to have said several times the opposite in some statements he made in public.

This decision of the government will tarnish, as I said, our international image. Canada will no longer play the role it played before, when he was chosen as mediator in conflicts that arose now and then in the world.

For all these reasons, and after hearing all the evidence during that trip, I approve straight away the amendment proposed by my party leader. In my opinion Canada should reverse the decision to reduce our forces in the North Atlantic Treaty Organization.

Mr. Speaker, during the last election campaign we were told about a policy of participation and I am wondering why members of the committee on external affairs and national defence were sent in Europe. We studied the problems on the spot. We gathered information. We rubbed elbows with experts and met important peoples. Upon our return, we presented immediately our report to the house and under paragraph 2 of this report we stated that Canada should continue to maintain forces in Europe according to the terms of the NATO collective defence agreements. We gave a lot of thought to this during our trip back and it was almost unanimously that we made this recommendation.

I wonder why the cabinet did not take our recommendations into account. What has become of the policy of participation of the present government and particularly what is the value, the importance given to the work of our committees? When reports presented to the house, like the one concerning NATO, are put aside by the Prime Minister, it is frustrating.

Mr. Speaker, in closing I must say that the amendment moved by the leader of my party is practical and clearly reflects the present

circumstances as far as the international tension is concerned. I hope that the Liberal members who went on that trip and considered the problem of Canada's participation in NATO, will, upon thinking things over, support the amendment moved on behalf of my party, to show their disagreement with the Prime Minister's statement which is confusing and does not offer anything new in respect of the review of Canada's role in NATO.

[*English*]

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, having heard the Prime Minister's (Mr. Trudeau) speech yesterday and having given it much consideration, I respectfully submit that he has taken a bold initiative to strengthen our country's foreign policy. He has stated that no other parliament will make our foreign policy. I contrast that remark with those of the Leader of the Opposition (Mr. Stanfield), who said we have waffled, bungled and watered down our foreign policy.

Some hon. Members: Hear, hear.

Mr. Gibson: He accused the government of being isolationist. Nothing could be farther from the truth. Our country at this time is busily engaged at Geneva at the disarmament conference. Ambassador George Ignatieff is taking a prominent part in the discussions in one of the highest councils of the world in an effort to secure world peace. He outlined to members of the committee some far-reaching, broadly visionary, and practical schemes to bring about détente. In light of that I ask, is this a government of isolationism? I put it to you, Mr. Speaker, it is absolute poppycock to call Canadian policy isolationist.

Hon. members probably know that the external affairs committee made a report.

An hon. Member: Where is it?

Mr. Gibson: They will also know that we visited Geneva and heard outlined a program for disarmament. That program is being negotiated at this time in the highest council of the world at Geneva. Efforts are being made by our Canadian representative. I ask, which country made an effort to bring the Warsaw Pact and NATO countries together at the conference table in order to secure détente? It was Canada. Is this the country of isolationism the Leader of the Opposition speaks of? If it is, it certainly is not the one I know and am proud to represent.

I believe our responsibilities toward NATO require a significant change. As the Prime

Minister said yesterday, we should not always be tied to heavy armour and tanks.

An hon. Member: Nobody said that.

Mr. Gibson: We want to question NATO's present role, and to reserve the right to question it. That is what we are doing. We believe in leaving troops in NATO, but we also believe in locating them where they can be used most efficiently. At any rate, I advocate that. I believe the armoured brigade is too fixed in nature. Germany is better able to supply armour in Europe than is Canada.

Personally, I advocate a highly mobile armoured force. It should be lightly armoured but air transportable so that it can be used in Canada, Europe, or as a peacekeeping force in other areas. I think this would bring about a more practical use of our arms than has been the case in the past. Having an armoured brigade anchored to one spot and geared to staying in Europe ad infinitum, does not show much imagination. I think that the role of our forces ought to be changed significantly. As light, mobile forces they should be geared to undertaking operations anywhere in the world as peacekeeping forces.

Members of the Standing Committee on External Affairs and National Defence visited Europe. We had an opportunity to examine Canada's role in NATO, and we began with Cyprus. It is with great pride that I report on the role Canadians are playing as part of the United Nations peacekeeping force in Cyprus. Our men are setting an example to the entire world. Do they come from a country geared to the isolationism the Leader of the Opposition speaks of? Our troops have preserved the peace in Cyprus for over two years in co-operation with other United Nations troops. I have heard predictions that, in co-operation with unarmed United Nations observers, we shall accomplish a very great step forward in peacekeeping roles under the United Nations.

On visiting France and Germany we saw that our forces were well trained, well equipped and doing a first rate job. Their morale was high. I wish to commend the way officers and men are carrying out their duties. As I said a moment ago, we saw Ambassador Ignatieff at Geneva and we also were able to capture the spirit which will lead to future disarmament. Fostering this spirit is, I believe, one of our primary roles.

In Sweden we were entertained by members of a civilized and neutral country. They were most hospitable and friendly. One must remember that Sweden is much smaller than Canada and does not share a 3,000-mile border with the United States. Neither do they lie between the United States and Russia. While neutralism may work for Sweden, it would be an unrealistic role for Canada to adopt.

After having heard relatively harsh discussions in Paris, we were heartened at Brussels, in Belgium, to hear the brilliant and hopeful words of Mr. Harmel, foreign minister of Begium. His belief, shared by many who served on our committee, is that we should seek multilateral withdrawal of troops from Europe as a means to détente. That is No. 5 among our recommendations, and we have viewed this matter very seriously indeed. We all stand by that recommendation so far as I know. Any members that I have spoken to certainly stand by our obligation to negotiate a détente with the Warsaw Pact nations.

• (4:10 p.m.)

I personally believe that our role in NATO must always be by physical presence. Any realistic alliance requires presence of forces to demonstrate solidarity of purpose. I believe that serious discussion must continue at the highest level toward multilateral disarmament. I am distressed that the NATO-Warsaw Pact Conference seems to have bogged down in interminable technical delay. I submit we should press on with those discussions immediately. I urge a demonstration of our intention to carry out our policy of détente. I believe détente can best be achieved by conferences such as are proceeding in Geneva. I urge the government to open up discussions with the Warsaw Pact countries and NATO immediately.

In keeping with my leader and members of the committee, I do not believe we have let this country down one bit by asserting our own independence. We stand as an independent nation. We are not dominated by those in Europe or anywhere else. We are very independent. We are being led forward to assert ourselves as an entity. I have confidence in the Prime Minister and the Minister of National Defence (Mr. Cadieux). We will maintain our genuine solidarity by keeping troops in Europe.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, it is puzzling to know what the main motion means. Of late it is being said that God is dead. Yesterday and today I have been thinking that whether or not that is true, surely Mackenzie King is still alive! There has been a great effort here to flutter with the

hawks and coo with the doves at the same time.

We are today examining NATO itself. We are putting that alliance under scrutiny. We must look at the effect upon us of the dimunition of our role. That is exactly what it is. We must also look at the effect of Canada adopting such a policy. NATO has always been under attack by those who are our enemies. It has always been regarded by them as a militant group, a collection of war-like nations.

We find in the arguments put forward by the Prime Minister (Mr. Trudeau) and others the suggestion that NATO has seemingly become an inhibitor to Canada in the whole field of foreign policy.

In Calgary the Prime Minister stated that NATO had become practically all of our foreign policy. He said we had no foreign policy of any importance except that which flowed from NATO. He said, "We do not want a military alliance or defence policy to pre-empt our choice." Does NATO pre-empt all our choices? Is it NATO which contributes to world tension? Is NATO deterring the détente? Is NATO a threatening alliance? Does NATO really menace eastern Europe? Would Canada be a better and more effective member of the United Nations if we were not a NATO member? Not much mention has been made of the United Nations by the Prime Minister. What would happen if we were a less active or non-member of NATO? Are we less competent in the world scene because of our membership in NATO?

The Secretary of State for External Affairs (Mr. Sharp) was also in Calgary. He said:

> This arrangement gives smaller members of the alliance like Canada a chance to participate in the making of policy on a wide range of major issues of concern to us that we would not have in any other circumstances.

Because of our NATO membership, are we inhibited in our pursuit of peace and in our efforts to play a more meaningful role in diminishing world tension and decreasing ignorance, want and starvation? I submit to the Secretary of State for External Affairs that on the question of suffering in Biafra other members of this alliance were able to do far more than we did and the alliance did not inhibit them. Are our efforts to bridge the gulf between the haves and the have-nots, the developed and developing nations, vitiated by our membership card in NATO? Is the NATO tag inhibiting the entrance to Peking? One of the first members to go through that door was Britain. Are we inhibited from relationships

with the Vatican because we are a NATO member? Hardly! Have we really been tied in such a strait-jacket by our NATO membership? Has there been anything we could have done in the world scene to follow the goal set out by the Prime Minister which we were kept from doing because of being a NATO member?

Is the dimunition of our NATO role being put forward as a means whereby a greater degree of our national budget will be allocated for other activities such as external aid? This we do not hear. Another such suggestion which has been made is that if it is not harmful to our greater and broader efforts, NATO has reached a stage where our contribution can be diminished. It has been said that Europe can defend itself. We must look at this in a thoughtful way. We are not involved in NATO to defend Europe, but in fact to defend ourselves. The Secretary of State for External Affairs in his famous Calgary speech said:

> —I cannot escape the conclusion that what happens in Europe matters very much to Canada. Our interests there cover many areas—history, culture, trade and finance, to mention only a few. Perhaps the most fundamental of all, however, relates to the fact that it is in Europe that the vital interests of the superpowers are in starkest confrontation, so that there is the greatest chance of a conflict escalating into a nuclear war. Because of Canada's geographic position between the two superpowers, this war would be fought out above our very heads. This is why Canada has a direct, selfish interest in the prevention of war.

There is no suggestion there that Europe could take care of itself.

Mr. Sharp: That was the speech I was going to make when I was interrupted.

Mr. Thompson: You should have planned your time a little better.

Mr. Macquarrie: I do not want to be interrupted because I do not have much time. NATO by its continuing existence as an international alliance has established quite a record of longevity. It has demonstrated an emotional solidarity and common awareness of values which makes it quite a significant organization. I agree with those who believe it has done far better in military co-operation than in non-military matters. This I deplore and regret.

• (4:20 p.m.)

This is an area in which we should give an increasingly active lead. There are questions about military obsolescence about which we

laymen do not know. I am a bit disturbed when I hear about submarine chasers whose top speed is a little slower than the submarines they are supposed to be chasing. There are questions of hardware. Of course there are. I think it would have been far more helpful in this instance if we had had a clear statement of what we are basing these decisions on. Are we withdrawing troops to save money? Are we to dismantle our military establishment and make an alternative use of this portion of our national budget? This has not been said. No one should suggest that Canada is inhibited by its NATO membership from doing the things which as a highly developed and long-time, internationalist-minded, sensitive nation it should be doing to help other nations.

The hon. member for Greenwood (Mr. Brewin) has gone back to the proposal for a cadre of peacekeepers. This is an attractive suggestion, but the sad part of it is that as I look at the decisions taken in the various bodies of the United Nations there seems not to be as great an acceptance of this idea as there was originally.

There are many decisions on foreign aid which the government could have taken long ago irrespective of whether or not Canada was to remain in NATO. We have a most excellent man directing our international development agency. We have built up a good reputation in the field of foreign aid, although it is true we have made a number of bloopers, but I cannot believe that a country with our limited resources can mount a meaningful program of aid to 64 countries all over the world. Surely we should approach more effectively the matter of foreign aid without divesting ourselves of our NATO role. It is not NATO which is preventing us from being more active in that important field.

I agree with those who stress that the great crisis ahead is between those who belong to the have nations and those who belong to the have-not nations of the world. At the United Nations a few years ago I heard a great statesman say that the decisions for the next generation may very well be decided by the people who live south of the equator, whose problems at present are monumental and whose resources are so very minimal. But there are many things we should do without looking on NATO as an excuse for inaction. There is an area to our south crying out for greater aid. The former British West Indies in the Caribbean area is a place where there are grave problems. A just mixture of Canadian interest and involvement could do wonderful things there, and perhaps make all the difference between economic and political stability and viability and something else.

I am sorry to say that this argument has been based not upon fundamentals but the suggestion that to change, to be contemporary, is somehow to be profound and to be clever. One remark I noted by the hon. member for St. Paul's (Mr. Wahn), in a speech which impressed me as—I would not like to call it nationalistic jingoism, but if somebody else said that I do not have the argumentation to deny it—was that:

> Our policies may sometimes be right; they may sometimes be wrong. But the important thing, to my mind, is that they will be made in Canada.

I say that a homemade fiasco is still a fiasco. The important thing is that these policies be made wisely and well so that they will be in Canada's interests. It is in Canada's interests not to look upon itself only, not to turn inward but to look upon its place in the world scene, to consult with its allies, to look over the opportunities and the challenges of the broad world, and not to rest upon the laurels of being novel or of being excessively nationalistic so that whatever blunders are made we can proudly say in the future that not only did we do something new in the realm of stupidity but we did it alone here in Canada.

Mr. Warren Allmand (Notre-Dame-de Grâce): Mr. Speaker, I intend to support the government motion because it goes in the direction I would like to go, but I want to make it clear that I do not find it completely satisfactory. Much will depend on what is meant by "early steps", and much will depend on what is meant by "planned and phased reduction." I would like "early" to mean as soon as possible, and I would like "planned and phased reduction" to mean a complete withdrawal of our forces from Europe.

When the Prime Minister (Mr. Trudeau) announced this policy on April 3 he said that the cabinet had only agreed to the following propositions, first, that Canada would remain in the NATO alliance and, second, that there would be a planned and phased reduction of Canadian forces in Europe. When he was questioned as to the extent and timing of the phased reduction he announced that these matters would be dealt with in phase two of his study. I understood by this that everything was open, including complete withdrawal. Of course I realize that this is an

optimistic interpretation and that the statement could also mean that there could be a reduction of our troops in Europe but not a complete withdrawal. According to my colleague who sits behind me and to my left, it means that Canadian forces will definitely be left in Europe but, as I say, I hope the reduction will lead to a complete withdrawal.

As a member of the External Affairs Committee I participated in the complete study of the NATO question, including the two months' study in Canada and the two weeks' study in Europe. In reply to some of the criticism that was levelled against that committee I wish to say that I feel the study the committee made in Europe was extremely valuable. If the Canadian government is going to spend millions of dollars in Europe through defence and external affairs, it is important that the elected representatives of the Canadian people find out how this money is being spent and why.

As a result of our studies I came to the conclusion that we should remain a member of the NATO alliance and that there should be a withdrawal of our troops from Europe. I would like to discuss both of these propositions. The Prime Minister said that our foreign policy should come first and that our military policy should follow our foreign policy objectives. I fully agree. I feel that our foreign policy objectives should be peace between nations, justice between nations, and security for nations from aggression, intervention and domination, and I believe that in pursuing those objectives we should remain in the NATO alliance.

At present in Europe there is a situation that is potentially dangerous for world peace. There is much at stake in Europe which contains the two most completely devastating armed camps in the world, the Warsaw Pact nations and the NATO troops. It is in Europe that a minor incident could easily escalate into a major war quicker than in any other place in the world.

If the confrontation is between the Warsaw Pact and NATO then Canada should be sitting at the council table within NATO to make sure that the policies of NATO are those of détente and disarmament vis-à-vis the Warsaw Pact, rather than of war. Our policy within NATO should be one leading toward détente, as the Harmel report has said and as NATO itself has said on several occasions. It should be a policy of trying to bring about disarmament and limitation of arms with the Warsaw Pact countries. I would hope that Canada, within NATO, will continue to pursue that policy, especially now following the Czechoslovakian incident which some members of NATO seem to interpret as an opportunity for increasing our armaments in Europe. I would be opposed to that. I would hope we would not use it as an opportunity to escalate the arms race in Europe but would keep cool and try to still bring about some disarmament and some détente.

• (4:30 p.m.)

If our policy within NATO is one of détente, then I think our military role in NATO must follow our political role. Therefore I would think the only policy for Canada in NATO consistent with a policy of détente is to withdraw our troops from Europe and earmark for NATO troops that will be stationed in Canada.

I should like to discuss the reasons for that policy. Some members who have spoken in this debate, one of whom was the Leader of the Opposition, have said they would like someone in this house to prove it is better for our security to have troops in Canada than to have troops in Europe. Well, if by withdrawing our troops from Europe we bring about a situation of détente, then that in my opinion would be protecting our security. I believe it is in the interests of our security to try to reduce the confrontation in Europe and try to bring about a détente. Therefore I think it is much more in the interests of our security to have our troops here in Canada than in Europe. I do not think it is a natural situation in peacetime for the troops of a country situated across an ocean to be placed in a country in Europe and strung along a so-called front, what would almost appear to be a wartime front.

I also feel that we in Canada with our limited resources are trying to play too many roles. We are not a large country. We are a country of approximately 20 million people. Yet, we find our forces in five areas of the world. We find them within Canada playing a possible defence role. We have troops stationed here for several purposes. We play a military role in the Atlantic and we play a military role in the Pacific with the Pacific arm of our navy. We are playing a peacekeeping role in the United Nations and we have troops in Europe. I have not mentioned the fact that we also have an Arctic Ocean frontier.

Many people, especially those in Europe, who look at Canada think of Canada as only an Atlantic nation. It is not. We have ties with Europe and look toward the Atlantic and Europe, but we are also a Pacific nation. We are also a very large nation in territory and yet we have a sparse population. So I feel that if we are to make the best use of our resources for defence and security we must have a specialized role. I see that specialized role as one where we have armed forces stationed in Canada which would be of a nature that they could be used for Canadian purposes, for United Nations peacekeeping purposes and for NATO purposes, but stationed in Canada and earmarked for NATO to be used in an emergency.

Some members who have spoken during this debate have spoken as if our withdrawal of troops from Europe meant a withdrawal from the military role altogether. Several Conservative members have said that this afternoon. Either they have not read the motion or they have not been listening to the debate. Nobody on this side has suggested we should completely withdraw our troops from NATO. Many countries which are members of NATO do not have troops along the east-west German frontier, but they still have a military commitment to NATO. The North Atlantic Treaty does not say that members of NATO must keep troops in Europe. It says that if one of the countries of NATO is attacked the other countries must come to its assistance, all subject to the U.N. charter. As pointed out by the Prime Minister, many countries which are members of NATO have their troops on their own soil playing a home defence role but also earmarked for NATO. When we joined NATO we did not have any troops in Europe. We sent them to Europe only during the Korean war period.

One of the arguments against a policy of keeping troops in Canada rather than in Europe is that there will be a re-emergence of German militarism. It was suggested that with the withdrawal of our troops the gap would have to be filled by the German army. When I was in Europe with the committee we met many German politicians, prominent journalists and military people. I must say that I was greatly impressed by the democratic attitude of the Germans. I personally do not feel that the majority of the people of Germany today have any sympathy whatsoever with militarism or nationalism. I get the impression they are bending the other way. If they are to be our allies I think we must not be ambivalent in our attitude toward them. If they are to be our allies I believe we should trust them and let them play a role with us in the alliance that is suitable in relation to their size and so on. I do not suggest that they should have nuclear arms or that any other country in the alliance should have nuclear arms. I feel, however, that it is a red herring to bring into the argument a suggestion that we should not withdraw our troops from Europe because this will in some way encourage German militarism.

Second, there is the argument that if we did withdraw our troops from Europe we would not be paying our way or pulling our full load. Again I think this argument fails to recognize the fact that in withdrawing our troops from Europe we would still be earmarking troops for NATO but they would be stationed in Canada. We would be doing the same thing that is being done by many other countries in NATO which are not accused of not paying their way or not pulling their share of the load. I must point out that when people make that type of argument they do not realize that Canada, after all, is a NATO country and that Canadian territory is NATO territory. By keeping our troops in Canada and earmarking them for emergencies we are contributing to NATO and paying our way. As a matter of fact, right now and in the past few years I think we have been paying too much to NATO.

I should like to spend a few minutes discussing some of the arguments raised by other hon. members. I found the speech of the Leader of the Opposition very disappointing. He spoke for approximately 40 minutes and spent the whole time in a negative way attacking the speech made by the Prime Minister. He did not put forward an alternative proposal to that put forward by the Prime Minister.

Mr. Brewin: Would the hon. member permit a question?

Mr. Allmand: I am afraid not. I have only 15 minutes and it goes by quickly. If I have time at the end I would be pleased to answer a question. Even the amendment put forward by the Leader of the Opposition is expressed in negative terms. On the other hand, I am much in sympathy with the amendment put forward by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), although I was not too much in sympathy with his speech which was the usual partisan speech filled with demagogic clichés and so

on. He also attacked the Prime Minister, but at least he put forward an alternative policy.

The Leader of the Opposition, however, put forward no alternative policy and spent the whole 40 minutes in a very negative way. This was in great contrast to the Prime Minister who did not indulge in personalities and discussed foreign policy at a very high level. Personally I thought he made a very good speech and gave me encouragement that he will finally—

• (4:00 p.m.)

Mr. Deputy Speaker: Order, please. I must interrupt the hon. member to tell him his time has expired.

Mr. David Lewis (York South): Mr. Speaker, owing to the time one has, I can only deal with one or two points. I want to say at the outset that I find the announced government policy on NATO to be an unhealthy compromise resulting from a lack of will to do precisely what the right hon. Prime Minister (Mr. Trudeau) orated about yesterday, namely, to deal with the world of today and refuse to be bound by the actions of yesterday. I also say before I go any farther, and this follows the position our leader expressed yesterday along with the hon. member for Greenwood (Mr. Brewin), that we cannot vote for the Conservative amendment because, despite its wording which was rather original, obviously what the Conservatives want is the status quo for Canada in NATO and, indeed, to strengthen our military contribution. We do not agree with this and will therefore vote against the amendment.

On April 13 when the Prime Minister first announced his so-called policy, and I have to say that because I do not yet know what it is, I said at a press conference in the absence of my leader that the Prime Minister's statement made that day was imprecise and confusing. That still remains true. His excuse appears to be that he has not yet completed the review of our foreign and defence policies. First, I cannot understand that or why it should take so long in view of the immense resources at the disposal of the government. In any case I would say, without intending to be offensive but very sincerely and firmly, that if the Prime Minister has not yet decided on his policies then he should stop talking as if he had. If he has nothing to tell parliament or the people of Canada he should say so instead of indulging in general lectures which merely add to confusion at home and to uncertainty abroad.

If the Prime Minister's statement means anything at all in so far as one can gather what it means, then his analysis leads to the clear and inevitable conclusion that Canada should withdraw all its forces from Europe as quickly as possible after consultation with its allies. Why do I say that? Time and again the Prime Minister at his press conference on April 3, in his speech on April 12 in Calgary, and in speech yesterday, emphasized that our military contribution in Europe is marginal that it is insubstantial and that our proper role in NATO is political rather than military. We agree with all of that and I agree with him also that the situation in western Europe has changed. When NATO was first established that part of the world was economically devastated and militarily dismantled. Today, fortunately, western Europe is economically and, therefore, militarily strong. The Prime Minister said this on more than one occasion and we agree with him in this analysis.

I say to you, Mr. Speaker, that if the Prime Minister had the courage of his convictions then the clear and inescapable conclusion from this analysis would be that Canada's forces in Europe serve no useful purpose and ought to be totally withdrawn. Instead of this unequivocal policy which the N.D.P. has proposed for a few years, and proposes now, we get from the government vague words about planned and phased reduction of our forces without being told when that reduction will take place, what the size of the reduction will be and at what point it will stop.

What is even more important, as far as I am concerned, is that I simply cannot follow the logic of a government which states that a mechanized brigade and six air squadrons in Europe provide no useful role but that a smaller commitment in Europe would. This is the kind of lack of logic which makes me question the integrity of the proposition that has been pushed on this parliament and the people of Canada.

I was a member of the external affairs committee and travelled through Europe. Every one of us got the impression that I suppose his predilections led him to receive. My experience from meeting with NATO military leaders all over Europe raised a very deep concern about that organization. It led me to the conclusion which I had been gradually working toward, but it emphasized an underlying conviction that NATO has become almost entirely a powerful military alliance.

What is worse, when you speak to the leaders of NATO you get the impression, at least I did, that it is almost entirely controlled by military objectives and psychology and that it is under the domination of military leaders. The political role of NATO, I suggest, has become minimal, but lip service continues to be paid to it with no effective steps being taken to seek détente in Europe. Nor has Canada taken any steps in NATO to seek such détente. Indeed, when a while ago the Warsaw Pact issued a direct invitation to meet with the NATO powers to discuss questions of a possible political solution and a reduction of forces in Europe, what did NATO do, with the participation of the Secretary of State for External Affairs (Mr. Sharp) and the Minister of National Defence (Mr. Cadieux)? NATO rejected that invitation.

Mr. Cadieux (Labelle): No.

Mr. Lewis: Yes, it rejected that invitation and substituted for that clear, intelligent and courageous invitation weasel words about the commencement of discussions to find out the subjects in respect of which further discussion might take place.

Mr. Cadieux (Labelle): May I ask the hon. gentleman a question? Does he know that the Budapest communique excluded the United States and Canada from the discussions?

Mr. Lewis: Mr. Speaker, I am aware of the effect of the Budapest communique, but I put it differently. It was limited to European countries on both sides.

Mr. Sharp: Do you agree with that?

Mr. Lewis: No.

Mr. Sharp: Then why do you think we should accept it?

Mr. Lewis: It would have been wiser to acept the invitation, to arrive there as one NATO organization—

Mr. Sharp: We would not have been there.

Mr. Lewis: If they did not appear at that table then the hollowness of their attitude is exposed instead of the steps that were taken to—

Mr. Sharp: That is a political attitude, not a constructive one.

Mr. Lewis: It is a perfectly constructive one. Let me tell the minister that every time he does not do anything his excuse is that he is being constructive. That was his attitude in respect of Biafra and now of NATO. I am a little tired of this constructiveness of inaction.

The point I am making is that this latest act of the NATO political leadership is merely the end of a series of events showing a lack of serious steps toward détente or a discussion of détente. If I had the time I could go back to the Rapacki proposal and various other matters that have been discussed over the past 20 years, every one of which was stymied not only by the Soviet Union—indeed, not always by the Soviet Union—but by the military psychology of the NATO organization.

We were very glad yesterday to hear the Prime Minister emphasize that in his view NATO must pay more attention to the objectives of seeking a détente in Europe. I say, with the firmness of the words spoken by my leader yesterday, that the time has come for Canada to indicate that if it is to remain in the alliance the military control of NATO must cease, because that is the control now, and that a political direction must take priority in NATO's discussion of objectives. If NATO cannot make this adjustment, then no useful purpose can be served by Canada staying in it. Indeed, I want to say, speaking now for myself, I have reached the conclusion that Canada could play a more useful international role by withdrawing altogether from military alliances.

• (4:50 p.m.)

When one listens to members of the Conservative opposition, and to some extent to members of the Liberal party, one would think the world has never had any experience with military blocs. One would think there is not a whole history of the dangers of militant blocs, of the failure of military blocs to keep the peace. One would think that NATO, NORAD and SEATO were sudden inventions, post-second world war. The fact is that the world has been beset by military blocs for centuries, and every time they have failed to keep the peace. They may be necessary in some cases, they may even be useful in some cases, but by their very nature they are not the basis of possible peace and security for the world. One of the modern reasons why this is so was stated by the late President Eisenhower. When he warned us about the insatiable greed and hunger of the military-industrial complex in the United States, he knew what he was talking about. This American complex, aided and abetted by similar

though smaller complexes in other countries, is in fact in control of NATO, as it is of other aspects of international and national policies, unfortunately.

I have, therefore, reached the conclusion that the time has come for a country like Canada to use its resources primarily to help raise the level of life in the developing nations, in the knowledge that the elimination of poverty and disease, lifting peoples who are now underdeveloped to a decent level of life, is an essential deterrent against war, an even more essential one than military confrontation. The time has come when Canada should use its resources in this way, rather than wasting them on military commitments of doubtful value, as the Prime Minister himself admits our commitment in Europe is. I suggest—and there is nothing original about this—that the time has come, and is in fact long overdue, when Canada should join with other, smaller countries in a relentless attack upon the insanity of the nuclear terror and on the international military-industrial complex which feeds it.

I suggest there are two facts in the modern world which any viable foreign and defence policy of a country like Canada—I am speaking only of our country—must take into account. The first is that the peace of the world now depends on the insane balance of nuclear terror, a balance that can at any moment be upset, either deliberately by some evil government or by accident by some stupid general. To rely upon the balance of nuclear terror seems to me to ask for the kind of destruction that all of us tremble may some time happen. Therefore in this case a country like Canada, without nuclear capability, not wishing to have any nuclear capability, ought in my opinion to give an immense amount of its resources, an immense amount of its energies, to every aspect of peace and disarmament negotiations in every part of the world. We should do more than that. We should speak out firmly and loudly against the continuing nuclear arms race. We should not be timid about telling Washington that we disapprove of the deployment of A.B.M.'s because they are a danger to the future peace of the world. We should do that.

An hon. Member: What about Russia?

Mr. Lewis: We should do that with Moscow, too, and every other military power. We should be one of the countries shouting against this kind of behaviour in the world. I am not naïve enough to think that merely Canada saying it will produce results, but I believe in something else and, if it is not true, there is no hope for the world. I believe that if a sufficient number of nations like Canada keep demanding that this insane nuclear arms race cease, if we all do it, if we all leave the military alliances so that no one can point the finger of satellite at us, as they can now, if a great enough number of countries make these demands and co-operate together to do so, at the United Nations and every other forum, eventually the sanity of the world's people will prevail. If this is not possible, there is no hope for the world.

The second major issue before the world is the question of hunger throughout the world and the danger this represents to the peace of the world. We ought to give a great deal of our resources and energies to this sphere of activity, to save and lift up the peoples of the world.

• (5:00 p.m.)

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, it gives me pleasure to say a few words on the world situation, on NATO and on the present economic situation in Canada.

I believe it would be a good idea to give my speech the title: cannons at the expense of bread and Canadian lives. We must first establish peace amongst ourselves in Canada in order to ensure at the same time our security.

At the time present, we are faced with a rather complex international and national situation, as much for the Secretary of State for External Affairs (Mr. Sharp), as for the Minister of National Defence (Mr. Cadieux), for they must take sides and determine the nation's future, as well as the form of our participation in NATO.

Mr. Speaker, we have to remember, as was said by the leader of the New Democratic party (Mr. Douglas), that for the past 20 years we have contributed to the NATO forces and when we decided to follow that course it was for a major reason but on a temporary basis only. However the years have passed and this contribution continues.

I think the time has come to put an end to it.

The government should withdraw for two years all its troops from NATO and affect instead the money spent on defence to stimulate the Canadian economy, by building houses for the Canadian people who live in slums and pay rents of $200 or $300 a month which they cannot afford.

This is, Mr. Speaker, the humanitarian work we could do. The huge amounts spent on defence could be affected to building houses for the Canadian people, to develop industries with a view to providing work for Canadians. We could then two years later if necessary resume our participation to NATO.

But a pause of two years would enable the Canadian people to stabilize their economy because they are always faced with debts and outstanding taxes, and have to live in constant uncertainty only to pay off war debts or to contribute to some international defence system which might never be used.

Mr. Speaker, it seems to me that so much progress should enable us to provide our people and the destitute in other countries with the things that are essential to the well-being of man. Since we are called upon to live in a society where affluence and poverty exist side by side, our first duty, it seems to me, is to secure peace at home.

In the face of atomic war threats, there is no more urgent task than to ensure the protection of humanity. Rulers and ordinary citizens are all in the same boat, and if we are unable to find an effective means of securing peace, we are doomed to certain destruction.

In the face of all those nuclear arms and destruction hardware, we cannot afford to keep on maintaining our armed forces, which will be powerless against such tremendous weapons.

Mr. Speaker, people must put order and justice in their daily life, which is not what we are doing at present. We certainly do not put this principle into practice when we introduce bills such as the omnibus bill.

The solution to our problem is to live as men, to respect our fellowmen and to give every individual the opportunity to grow and to develop his personality.

Mr. Speaker, NATO forces should be reinforced, according to some people, under the pretext of fighting communism. But we are not even able to solve the problems of hunger and slums at home; yet, those are situations likely to promote communism. It is not with defence, or arms, or cold war that we shall fight communism.

With all our resources, our human capital, our monetary capital, our technology and our scientific research, we should be able to face communism.

Mr. Speaker, even if we are decided to do all that, we must be fully aware that it is only a materialistic force which will be used to contain communism for some time through strength and violence, but we shall never succeed by those sole means in ensuring order, justice and peace.

If we only set might against might and counterbalance ideology, we will never beat the communist world. Neither could we do so through fear or violence, in this atomic age.

We would only destroy ourselves because our system of debts and taxes, even with Canada's 21 million people and inexhaustible resources and with the help of American technology and increased aid. Our tremendous national debt paralyses our productive activities, our purchasing power and the development of our productivity.

We can no longer produce because industries are unable to borrow money at 10 per cent or even at 24 per cent.

If we increase our expenditures for defence and armaments in proportion to our responsibilities the government will have to increase taxes, when our debt is so high that owners have to sell their homes to pay taxes and the tribute to a few individuals who control the economic life of this country.

Without regard for human beings who have the right to live, all our initiatives are affected by the same cancer eating away the honest comfort of the people, in Canada as well as in Europe and in other parts of the world.

• (5:10 p.m.)

The same system is found everywhere, but with a few variations. We could, if we wanted to, make use of all our human and physical resources and continue to expand both our respective and our common means of defence.

We could also intensify research in all sectors and increase production in all fields, thus creating jobs for the unemployed who consider themselves as useless members of society and who live in insecurity, hardship and poverty. Those people form too large a part of our population.

The situation could be improved, provided we are determined to deal with the problems, instead of letting them grow until a war comes along to upset everything.

Technical problems call for technical remedies. That is why, Mr. Speaker, we are unable to find any solutions.

Hitler proved to us that war was not only a question of money, but a question of weapons and material. Germany did not lose the war because it lacked money, but because of a shortage of troops and material.

During the war, money was flowing freely all over the world. It was then a case of killing, slaughtering, destroying. However, when the war came to an end, the monetary problems and the European problems emerged once again. Development is only possible through borrowing, being loaded with debt, at extremely high interest rates. The rates varied from 2 to 3 per cent during the war. They have now reached 7, 9 and 10 per cent.

As far as the building of houses is concerned, we should consider the things I have just said. That is where the shoe pinches, that is what causes so much misery and so much worries to humanity in the sullied history which is ours. We could manage to find a solution for a good many of our problems by making financially possible what is physically possible, in every country, in accordance with their resources in manpower and material.

Mr. Speaker, in order to give my ideas a more concrete form, I would like the House to study a resolution regarding economy and finance. We are dealing with war and defence, and not of financial matters. We shall levy taxes, we shall overtax people—

Mr. Speaker: Order. I am sorry to interrupt the hon. member but his time has expired.

[*English*]

Mr. R. N. Thompson (Red Deer): Mr. Speaker, the North Atlantic Treaty story goes back to the end of world war II. The western allies, demobilized and disarmed, determined to reconstruct and rebuild. Russia, with her forces intact, embarked on a program of expansion in Europe through communist subversion. By 1948 Berlin was blockaded and free Czechoslovakia fell to Soviet expansion. It is well to remind ourselves of these things. The western nations decided it was time to say to the communists: "Thus far—no farther." This required the organization of a collective defence system which could provide a credible shield for the entire Atlantic area. Thus the North Atlantic Treaty came to being and NATO was born. This was in 1949, just 20 years ago.

During the 20-year interval the people of Western Europe have enjoyed peace and prosperity. Why has this been so? The NATO-created balance of forces and a mutual determination to resist have prevented any further communist gains in Europe. As long as the Soviet Union shows no sign of reducing her forces, this balance must be maintained. The people of Europe understand these things very well, even though some in Canada do not. We who were with the defence committee in Europe recognized this attitude in every country we visited; it was reflected by everyone we spoke with.

Mr. Allmand: How did you know?

Mr. Thompson: I am referring to those who talked with us even though some of us may not have understood what they were saying.

It is strange that neither the Prime Minister (Mr. Trudeau) nor any of the speakers on the government side have mentioned Czechoslovakia in this debate though in every country we visited every official to whom we spoke emphasized the events of last August when talking to us. Not one member on the other side has pointed out that the Warsaw Pact countries have continued a heavy military build-up.

The statistics are evidence of this situation. The combined strength of the Warsaw Pact countries in direct confrontation with the west is 170 divisions of ground forces with 7,000 aircraft. Combined NATO forces total 76 divisions and only 3,200 aircraft. In the central European sector where the Canadian forces are deployed the picture is even more lopsided. There are 100 ground divisions on the Warsaw Pact side with 3,400 aircraft. On the combined NATO side there are 26 divisions and 2,000 planes. These are the statistics for last year.

I come now to a further point, and I have not heard any member on the government side mention this either. Last year NATO reduced its forces by 80,000 troops. If the Warsaw Pact countries had any intention to de-escalate they would have decreased their forces in like number, as it was expected they might do because an attitude of détente was present in Europe. But this did not happen. Instead, the Warsaw Pact countries invaded Czechoslovakia.

Consider the case of Norway. At the time of joining NATO Norway required that no foreign troops should be located on its soil and that no nuclear arms should be placed there. With such a policy one might expect that the U.S.S.R. would place a lesser force on its common border with Norway than in other parts of Europe. But this has not been the case. There has been a continued build-up along this northern frontier as well.

It is obvious that Soviet policy regarding NATO is clear and simple: first, to weaken the will of individual NATO members to resist and, second, to split NATO into its

European and United States components. I contend this is what the Prime Minister is bringing to pass with the policy he has now enunciated. We hear continued talk from some members of the government party and of the N.D.P. about the United States industrial-military complex. But I say that the industrial-military complex in the United States is ruled by a democratic government. Those same hon. members say nothing about the industrial-military complex in Russia where it is not ruled by a democratic process but rather where it is a law unto itself.

We need to remind ourselves that Khrushchev no longer rules in the Kremlin. The present rulers of the Kremlin are all older men trained under Stalin, men who have obviously reverted to a Stalinistic policy which, under Khrushchev, had perhaps begun to change. There is no evidence in modern history that the communists have ever been ready to talk in face of weakness. On the other hand, that there is plenty of evidence that they do talk in face of strength. What happened in Czechoslovakia is clear evidence that the Soviets will use brute force whenever they can get away with it. This is why the conventional role of military equipment has not yet seen its day in Europe. The Soviet invasion of Czechoslovakia. The NATO alliance is just as necessary today on the military side as it was in 1949.

We are asked now to accept the views of a man who has been entrusted with the great responsibility of the office of Prime Minister but who holds a pre-conceived idea of the world based on a doctrinaire ideology that the U.S.S.R. is mellowing, that there is no longer any danger of confrontation. Well, Mr. Speaker, the United Kingdom minister of defence told the Committee on External Affairs and National Defence that this was an ideological perch. He urged that the committee come down from that ideological perch and face the facts.

The Hon. Mr. Denis Healey said that the practical reality of life was that the basis of security and peace in Europe still depended upon a strong NATO. The day might come, he added, when de-escalation of the military aspect would be possible, and Britain would welcome it when it came, but under the present leadership and policies of the U.S.S.R. it was not yet a reality.

I would remind members of the New Democratic party, including the hon. member for Greenwood (Mr. Brewin) and the hon. member for York South (Mr. Lewis), that the labour-socialist government in the United Kingdom, which they claim to be a party similar to their own, made it very clear that the policy advocated by the N.D.P. in this country was wrong. Today Britain is increasing its commitment to NATO in response to the situation which exists at the present time.

The Prime Minister said yesterday that those who criticize his policy as being isolationist have a fixation on old wars and old problems. I say to the Prime Minister that he is altogether wrong in this assumption. It is he who lives in a dream world, refusing to face the facts of life in 1969. His philosophy is not new. He promulgated it when he was part of the Peace Research Institute a few years ago. Chamberlain did the same in 1938. The only people he pleases are the bitter isolationists in the United States and those who smirk behind the curtains. Certainly he is not pleasing the Canadian people.

• (5:20 p.m.)

On December 1, 1968, the Canadian Institute of Public Opinion revealed that 64 per cent of the Canadian people believed that Canadian troops should continue to stay in Europe as part of the NATO forces. No wonder the government is split on this issue. The consensus of government members on the Standing Committee on External Affairs and National Defence was that we should continue to play our part in NATO. This difference of opinion caused Senator Aird to resign. He refused to accept the kind of policies being advocated at present. No wonder the government is split in this regard.

Yes, Mr. Speaker, I sympathize with the Prime Minister. For one who took the position during world war II that the war was being fought between the imperialists and had nothing to do with Canada, and who in the years following world war II took another, well known position it must now be extremely difficult to enunciate a realistic defence policy. I do not believe the leader of our nation has the right to formulate a minority policy which would mean a breaking away of Canadian foreign policy from that of our friends and allies. Neither has he the right to discuss and formulate defence policies which are out of context with what is going on today in the world.

The Prime Minister talked about Canada withdrawing to a continental role and of his hope that Canada will lead in the field of disarmament research. I ask, what has the 17-nation United Nations commission on

disarmament been doing for the past ten years? Those 17 nations, of which Canada is one, have done a commendable job. Has that commission succeeded? No, it has not. I remind the Prime Minister that the secret of disarmament will be found in the willingness of the U.S.S.R. to agree to disarmament. It is as simple as that, and the representatives of the 17 nations on the commission know it.

Recently the members of the Standing Committee on External Affairs and National Defence visited four NATO countries in Europe, one neutral nation and one non-aligned nation. Without exception all those nations did not want Canada to weaken NATO by withdrawing from it. Neither did our senior diplomatic and military personnel serving in Europe, who are authorities on this subject, wish us to withdraw.

It is interesting to note that Canada's defence budget, when it is related to gross national product, is far lower than that of any other NATO country. When he appeared before our committee the foreign minister of Belgium was asked what he thought of the possibility of Canada withdrawing in whole or in part from NATO. He answered quickly by saying: "Such action is incredible. We smaller nations need and must have the support of a larger middle power such as Canada, free and freedom loving." The statesmen of Europe said that the purpose of NATO is to keep the peace in Europe. It is to prevent hell in Europe and not to create heaven.

I submit that the purpose of NATO in part is to give the smaller nations a collective power and force which without NATO they would not have. They must have that force and influence both within and without NATO. This applies not only to the military role of NATO but also to the economic, political and cultural aspects as well. May I also point out that NATO has a secondary function, that of keeping the balance of power in Europe. Here I refer to the fact that as part of NATO Germany is a lesser threat to Russia or to anyone else than she would be if she were on her own and out of NATO.

I am convinced, Mr. Speaker, that Canada's role in NATO is a positive one. It is a morale-building role. We uphold the morale of the smaller nations of the Atlantic community. The purpose of NATO also is to bring about strength through collective security. It is to strengthen neighbours and friends who are part of the Atlantic community. Above all, Mr. Speaker, NATO is a peacekeeping force. In fact, when we participate in NATO we participate in the most important peacekeeping role there is today in the world.

It is inevitable that this situation will change, and I hope it will change for the better. I hope that when changes come we shall be able to adapt to them. In the meantime our role in NATO must continue as at present, I also hope that our role on the economic, political and cultural planes will be enlarged. At present, however, reality demands that we should remain in NATO and that we should make our military contribution in Europe. Any new role to be undertaken ought to be worked out in co-operation with our NATO allies. There is no other way for us to act.

[*Translation*]

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I am pleased to speak after my good friend from Red Deer (Mr. Thompson) in this debate, because he has just stated, I believe, that after all he fully supports the policy advocated by the government. In fact, he has just said that we must keep our membership in NATO and that we must make a realistic contribution in Europe. This is precisely the significance of the governmental policy.

My friend, the hon. member for Charlevoix (Mr. Asselin), referred a while ago to the various statements which I have already made in this connection. I do not know if he was trying to embarrass me, but if so, he failed, because in the past I have said two things, among others, namely that I considered NATO as being essential to the security of Canada and that it had a part to play in addition to its military role.

Now, after extensive studies by the ministerial committee, we have in the first place rejected any suggestion leading to the neutrality of Canada. In the second place, we have stated that we adhered to the principles of collective security and thirdly, that we were going to maintain our membership in NATO. Consequently, I do not see why the position of the government could in any way embarrass me now, as a result of my previous statements.

Mr. Speaker, I have also stated on several occasions that, in my opinion, those defence matters should also seek both a détente and disarmament.

Unlike my good friend from York South, I am convinced that the Atlantic Alliance has made some valid efforts which furthermore have already proved successful.

For example, he raised the matter of the Budapest communique, and he said that Canada had never taken any initiative towards a détente, and that we had advised to reject the proposal from the Warsaw group.

I would remind him that the communique of the meeting in Washington insisted precisely on the fact that the participating nations had asked that the proposal be examined carefully and that there be efforts made to overcome the obstacles which, at first sight, seemed to prevent us from initiating the necessary negotiations right now.

We have also indicated that the discussions on the Budapest communique resulted from a Canadian paper on East-West relations. Therefore, I sincerely believe, Mr. Speaker, that to the extent that such action can be effective, Canada has already made a useful contribution to the cause of disarmament through NATO.

At the time my good friend opposite was Minister of National Defence, our participation to NATO was reduced as it was last year or this year, when I announced that we had to close the Zweibrücken base. The opposition did not blame us, because it was a realistic decision. By concentrating our forces in two bases, we were able to save money in the fields of administration and staff.

It was said also that no government member reacted when Czechoslovakia was invaded. Has it been forgotten, for example, that our reaction was to delay the decision to make a 20 per cent reduction in our air forces? That was how the Canadian government reacted to the invasion of Czechoslovakia.

[*English*]

• (5:30 p.m.)

Mr. Thompson: Might I just say one word? I was referring—

Mr. Speaker: The hon. member has had his full time.

[*Translation*]

Mr. Cadieux (Labelle): Mr. Speaker, we have now reached phase 2 of this long-term study, as was announced by the Prime Minister. It is now up to the Minister and to the Department of National Defence to translate the government's decision into military and realistic terms.

[*English*]

The purpose of this phase is to determine the kinds of forces and equipment best suited to carry out the military roles to meet defence policy objectives outlined in the statement of principle issued by the Prime Minister (Mr. Trudeau) on April 3, 1969. It is a military planning phase. It involves detailed military plans and since a change in the operation of a complex force, is also involved, some hon. members will appreciate that considerable time inevitably will be taken before it is completed. In this process, we will be considering, inter alia, a number of alternative plans for the reduction of our forces stationed in Europe, and what type of forces we should continue to maintain to enable us to contribute effectively to collective security abroad.

In his statement yesterday, Mr. Speaker, the Prime Minister said that Canada's resources, although immense, are not limitless. Let me add, sir, that the share of these resources at the disposition of the government also is not limitless, and that defence is one of many competing demands made upon these resources. Amongst the objectives of the government's defence policy outlined in the statement issued by the Prime Minister on April 3, there are two which I wish to emphasize.

First, that our forces will be capable of playing important roles in collective security and peace keeping. This, sir, is not an isolationist or fortress America objective. Second, that the structure, equipment and training of our forces must be compatible with their performance of the four roles: the surveillance of our territory, the defence of North America, support of NATO, and international peace keeping. In their present roles, our forces committed to NATO require different equipment and different training from the forces we maintain in Canada for national purposes and to carry out international peace keeping missions. The differences or incompatibilities in maintaining two different kinds of forces increase our defence costs and, if continued in the future, would increase them even more.

An objective of our current studies is, therefore, to develop in the next few years fully compatible forces, which will provide at the same time a capacity to play important roles in collective security and peace keeping. Unless all are prepared to accept a large increase in our defence expenditures, the present roles of our forces now in Europe limit our ability to achieve the posture for the Canadian forces which the government believes appropriate for the future. To overcome this, we must start now to convert our

forces from their present roles in Europe and to plan the reduction of the total number of Canadian forces which are stationed there. The size and timing of these reductions remains to be decided when our planning is completed.

We have said all along that all this would be done in consultation with our allies. I do not see where we differ with the members on the other side on this particular point. The government has stated that it will begin consultations with our NATO allies on our proposals for the planned and phased reduction of the Canadian forces stationed in Europe at the ministerial meeting of the NATO Defence Planning Committee, which is to be held at the end of May of this year.

The normal procedure used by the NATO member nations to consult with each other regarding any changes which they plan to make in their forces assigned or earmarked for assignment to the integrated NATO commands, such as the Allied Command in Europe or the Allied Command Atlantic, is the NATO defence planning review. The May meeting of the Defence Planning Committee will initiate a new cycle in the NATO defence planning review, which for the first time will be carried out over a period of two years.

The main task of the defence ministers at this meeting will be to decide, in the light of an appreciation of the military situation to be presented by the NATO military authorities, what guidance, political, economic and financial, should be given to the NATO military planners as the basis for their preparation of the over-all NATO force plans for the years 1971 to 1975, inclusive. The major NATO commanders and the NATO military committee will develop their force plans in the light of the guidance provided by the ministers. Again, I refer to some of the remarks that this is entirely a military organization controlled by generals. This is not so. The political direction is clearly indicated in that procedure.

NATO force planning must take into account the military plans of the member nations, and I think it only reasonable, at the beginning of a new NATO planning cycle, that Canada should provide its allies and the NATO military staffs with as much indication of its planning intentions as is possible. It is my expectation, Mr. Speaker, that phase II of our defence policy review will have advanced sufficiently by the end of May, that I shall be able to present to my NATO colleagues a fairly detailed outline of that part of our force plans affecting our present NATO undertakings.

[Mr. Cadieux (Labelle).]

Hon. members will be aware that national undertakings to commit forces to the NATO commands are given for a period of one year. Our present undertakings extend to the end of 1969. As a part of the NATO defence planning review running separately from, but in parallel with, the development of the over-all force plans for the years 1971-75, we shall be asked during the next few months to inform NATO what forces we plan to commit to the NATO commands during the year 1970. Our plans for this one year will be reviewed with the NATO military authorities and our allies in the fall and we shall be asked to adopt them as firm commitments until the end of 1970 at the ministerial meeting in December. I trust that this explanation will clear any misunderstandings that have recently come to light.

As the house will know, Mr. Speaker, well established procedures exist, through the Permanent Joint Board on Defence and other bodies, for continuing consultation with our United States allies on matters affecting our joint efforts in the defence of North America. As the plans to implement our new policy take shape, we shall be using these procedures to discuss with the United States government how we can best contribute in future to the defence of the continent. Joint studies have already begun on the plan for modernization of the system of bomber defence. We shall be able to decide how we can most usefully contribute both to the surveillance of our air space and to the modernized anti-bomber system as those studies proceed. We shall also be seeking early occasions to consult the United States government as to how we can employ the maritime and land forces which we require for our national purposes to the best advantage in furthering our mutual interests in defending the continent.

As hon. members will understand, this period of planning and consultation will take some time. No doubt during this time there will be conjecture as to what we plan to do. As Minister of National Defence, I am concerned that these conjectures will have an upsetting effect on the members of our forces. We, as members of parliament awaiting the results on election night, can understand the feelings of the forces during this period.

• (5:40 p.m.)

It will be a difficult period during which time a number of changes will be discussed

and examined by the Defence Staff. Some of these plans will be incorporated into the over-all plan and others will be discarded. I want to assure hon. members, and especially I want to assure all of the members of the Canadian Armed Forces, that our plans will not be announced until we feel confident that every option has been fully analysed by itself and in relation to other options. I want to repeat to the forces that conjecture will be simply conjecture.

I am sure, Mr. Speaker, that hon. members will agree that defence problems never remain static. The members of the Canadian Armed Forces have demonstratively proved that they are ready and able to adapt to any new change, perhaps more than any other segment of our society. The Canadian Armed Forces must continually make readjustments to meet changing defence problems. As hon. members are well aware, the members of the Canadian Armed Forces have been undergoing a change towards unification for the past few years. It has not been an easy task, but their professionalism and sense of duty have overcome many of the obstacles.

Now, we must undertake new tasks to meet the new policy roles. How these tasks will be carried out, as I said before, is being examined by the Defence Staff. I am sure that we can expect the continued high degree of professionalism from the forces that they have so ably demonstrated in the past. In return, I think every Canadian should, by whatever means he can, recognize that our forces have made many sacrifices in the past and have endured many hardships in the performance of their duty. This is a part of their life which they are willing to accept, providing the objectives are clear and sensible.

Mr. Deputy Speaker: Order, please. I am afraid the minister's time has expired and the only way we could proceed with a question is by unanimous consent. If there is unanimous consent to extend the minister's time, then we could allow the hon. member for Greenwood (Mr. Brewin) to put a question. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Brewin: May I put a question to the minister?

Mr. Cadieux (Labelle): By all means.

Mr. Brewin: During the debate the subject of Canada's contribution and attitude towards anti-ballistic missiles was raised. I appreciate the minister did not have time to deal with that subject, but will he arrange to discuss it as soon as possible with the Committee on National Defence and External Affairs? I think it is a subject of great importance and interest.

Mr. Cadieux (Labelle): Mr. Speaker, what I would have to say would depend on whether the meeting was held in camera or not. I have had a brief prepared, which could be very extensive. It was not prepared by military people but by scientists of the Defence Research Board, and it could be presented to the committee.

Mr. Brewin: Thank you.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my remarks, following immediately upon the comments of the Minister of National Defence (Mr. Cadieux), will be a little bit disjointed. I would like to make some comments on the minister's explanations, but in the absence of a text it is difficult to bring the whole thing into clear focus. I hope that later this evening someone will have an opportunity to deal with one or two points that the minister attempted to clarify, but about which questions were left dangling as a result of his explanations. The matter raised with him by direct question just a moment ago is one of them.

In the context of any defence review, it is difficult to ignore what is topical and of major concern. Here, I refer to the A.B.M. system. It is a matter of understandable regret that the minister was not able to deal with it. It is also a matter of regret that he was not able to give us more specific information, particularly from the standpoint of those who are serving in our armed forces. As long as questions such as this remain unanswered there will be uncertainty and fear in the minds of officers and men, not only among those serving in continental Europe but also those serving in Canada.

I join with everybody else who has said that we would welcome a proper opportunity to get out of the business of war, out of anything that has to do with war, so that we could bring our troops home from Europe. As a matter of fact in that context, we would even welcome the disbandonment of Maritime Command, but I caution the minister in any review he undertakes not to lay a finger on it.

I intend to restrict my remarks to the report of the Standing Committee on External Affairs and National Defence. That report

represents several months of concentrated effort on the part of 30 men, not to mention 16 eminent witnesses from the academic and other fields in Canada and from as far away as Germany.

I think the questions and the arguments that developed were sound. The witnesses placed well thought out positions before the committee and these were deeply considered by members of the committee. The headings in the report are indicative of the extent to which witnesses and members went in trying to arrive at some rational conclusion on what Canada's defence posture should be in relation to NATO.

The committee dealt briefly with Canada's membership in the United Nations. We indicated to this house and to the country that we did not feel Canada was directly menaced by any threat of invasion, and that the threat to Canada lay elsewhere, primarily in Europe. We reviewed our existing alliances. I hope that the Minister of National Defence will include these in his review because I doubt if there is a living Canadian who can recite all 47 of them.

We dealt with NATO, with its history and its provisions. We were all very much aware of the role that Canada had to play within the terms of that alliance. We were all aware that we were not committed to send troops to Europe. We touched on NORAD and indicated to the people of Canada that members of the committee had not agreed on any definitive roles in this context. We felt the committee should go further into this matter in the near future. Our present military contribution to NATO was thoroughly reviewed, both here at home and by a physical tour of Europe.

• (5:50 p.m.)

We dealt with the question of neutrality for Canada. I might say I was pleased to see the government's rejection of this as an optional role for Canada at this particular time. I am one of those who has long believed we cannot afford the luxury of neutrality. We went on to deal with the question of whether or not Canada should rely on the United States for its sole protection. Here, we get closer to the matters with which I should like to deal. The presentations made before the committee in some part—not in whole because there was considerable opposition to this—argued that Canada could substantially reduce the amount of money presently being spent on defence because the geographic proximity of the United States makes it necessary for the United States, in a sense, to defend Canada in order to defend itself. This was referred to I think as the so-called "free ride" theory. These arguments were rejected by the committee. Quite to the contrary, there is a conviction among all members of the committee I am sure, and among most Canadians with whom I have had an opportunity to discuss this, that Canada should be prepared to incur its fair and reasonable share of military responsibility in the world. Particularly, we must be prepared to do that and indeed are prepared to do that, so far as our relations with the United States are concerned.

The question of foreign aid being substituted for defence expenditures was rejected by the committee. I indicate to the minister, as he is probably well aware, that this is a question the committee probably will want to examine in some depth at a very early opportunity. The question of our peacekeeping role has been dealt with. In this connection the minister surely is well aware, much more so than the members of the committee, of the difficulty in pursuing this as a primary line of defence posture for Canada.

This leads us to the impact of the effect of Canada's alliance membership, not only our political affiliation but our full role within our means within the integrated military structure of NATO. In our report at page 35, the second last paragraph, there is this conclusion:

> —Canada's influence with other nations of the world, including the non-aligned and developing nations—

The so-called third world.

> —will be determined more by the degree of independence, objectivity and fairness which Canada exhibits in its relations with other countries than by its alliance associations.

My dear friend from Hillsborough posed a number of questions which I think are valid. I would repeat one of them. He asked in what way does our association with NATO and NATO's integrated military structure inhibit those things that the so-called doves would pursue with eagerness and at the expense of Canada making a fair and equitable contribution to the defence of the western world. I fail to see any way. I fail to see any real argument that we should not bear the cost of maintaining a physical presence in Europe. At least I fail to see one that would persuade any individual who has bothered to look into the question.

Indeed, it is my understanding the cost of keeping our troops in Europe is approximately $20 million. I am perfectly aware that the

paper figures run somewhere in the order of $140 million. In the absence of a clearly enunciated policy in respect of what we would do with these troops when we bring them home, that is whether they would be employed in the surveillance of our territory and whether or not maritime command might form the basis for a specialized military role, and in the absence of any indication that we would substantially expand our air capability here in North America or our ground troops, I can only conclude that it is premature to seriously consider even a phased reduction. I think we all know a phased reduction will mean a total reduction.

To those who have supported the government motion in the hope that a phased plan of reduction will mean the withdrawal from NATO of only a few troops, I say they are whistling in the dark. They know very well, as do all of us, that once reduction starts, phased or otherwise, it will be total. If the Minister of National Defence remains in that capacity I predict he will find shortly after August, the first point at which we can indicate to our partners in the Alliance that we intend to withdraw in one year's time, that it will be a sorry day for Canada and its integrity among not only the western nations of the world but among all the countries of the world.

Mr. Deputy Speaker: It being six oclock this sitting stands suspended until 8 p.m.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

[*Translation*]

Mr. Gérald Laniel (Beauharnois): Mr. Speaker, as a member of the Esternal Affairs and National Defence committee and of the Defence committee since 1963, it is my duty to take part in this debate on the Canadian contribution to NATO. I fully support the government and the motion presented to the house.

The study undertaken during the last months has enabled me to come to certain conclusions which might even go somewhat beyond the views publicly expressed by the Prime Minister (Mr. Trudeau).

I must admit that my views have changed progressively during the past five years, especially since the visit of the committee to Halifax in 1964, my trip to Berlin in November of the same year with the NATO parliamentary delegation, the debate on the unification of the armed forces and finally this study by the committee.

Mr. Speaker, I must confess that sometimes I felt that I was going through so much brainwashing with regard to military matters that I was convinced for a while that no change in our foreign defence policies was possible unless that status quo was maintained.

On some occasions and in particular during trips and visits by members of the committee, I had a similar impression of being brainwashed by some military personnel. I first woke up when I finally realized that many other members around me were under the same pressures. Of course, as a veteran I was certainly slower than others to realize it because at that time you were either a member of the team or you were not. You had to agree with the commitments, the participation of Canada, and to accept without any reservation, the general policy of NATO and NORAD. Then, you were a responsible member of parliament, a representative of the people, who had the privilege of sticking out his chest and of being proud of the international stature of Canada, even though it was almost dictated to us by others and at times beyond our means.

The morale of our troops came first, as well as that of our generals, our admirals, not to mention that of the generals of our allies. The morale of our troops is most important, but not to the extent—and I realize that today—of keeping us from even thinking of the possibility of studying other possibilities for our external and our defence policies.

It is also true that the efficiency of our Canadian forces is recognized throughout the world and not merely with regard to our participation to NATO; our forces are also on duty in Cyprus and elsewhere. Why can our present role under SACEUR and SACLANT not be changed? Why has Canada's participation become sacrosanct to the extent where our allies, especially the military leaders in NATO, cannot even conceive of our changing it?

On the committee's last trip to Europe, I even argued a bit with an American general about this. He simply could not understand why Canada should consider revising its military participation to NATO. In reply, I said this and I quote:

[*English*]

Canada as a small nation with its limited financial capability is just as proud as others and just as

proud as the United States, and it likes to do small things in a big way, giving them particularly a Canadian identification.

• (8:10 p.m.)

[*Translation*]

And he was quite surprised.

In times of peace, even when it seems uncertain, we should assign our armed forces to more correlated roles, and give them functions within peace organizations, or with the United Nations.

That would help to coordinate the work of the Army, the Navy and Air Force.

It is all very nice to go to Europe to Halifax, to win trophies and competitions—and at this stage, I wish to praise our brigade, our air division in Europe, and our Canadian Atlantic Force—but it is important to know, considering the tactics and present constitution of NATO, whether we would win if a war broke out.

Mr. Speaker, it is time we stopped taking pride in winning competitions because the ribbons we earn are costly for Canada. I agree, to give NATO credit for that, because as a rule, I believe in NATO and recognize its merits.

Surely, the balance of forces in Europe has been partly responsible for the absence of conflicts on the continent for the past twenty years. But by promoting that organization alone have we really made progress as regards détente and dialogue?

Will the arms race become a permanent thing? Will confrontation on the continent be a current thing 20 years from now, when our children have taken over? I hope Mr. Speaker.

That is why the fact that Canada is presently reviewing its defence policy, particularly as regards our participation in NATO, takes on a special importance, because Canada is thereby showing that it is truly concerned with the problem of the Atlantic Alliance. That is why everybody is concerned, everybody wonders if it will weaken NATO, which may serve to remind our allies that this international Alliance must do more to reduce the risks of this confrontation in Europe.

Up until now, it seems we have always asked at various meetings and various levels: where do we stand? And now, the moment has come when we must ask ourselves where we are going.

Mr. Speaker, I must confess that I have never really been satisfied with the report of the committee on external affairs and national defence, of which I am a member. I have nothing to say against its general contents, but I am very disappointed with the third part, which contains recommendations that I see as very timid and conservative, especially as to the future role of Canadian Forces. I realize that the door is still open, because it seems that the purpose was to appease those who wanted some change, and they were somewhat taken in. Moreover, I had no intention to submit a minority report.

However, I wish I had been able to convince the members of the committee—and I tried to do so—to include a recommendation suggesting that Canada should indicate officially to her allies her intention to change the role of Canadian forces in Europe, and to enter immediately into discussions on this possibility.

In my opinion, the Canadian armed forces must become a more homogeneous, ultra-mobile conventional military force where the three services, the army, the navy and the air force, must operate jointly. This kind of military force would give us more flexibility in the use of our troops for NATO, the North American defence and the United Nations.

Even if we wanted to recall our heavy brigade and our air division, we would not know what to do with them. This operation would be costly and useless. I do not mean that we have made a mistake when we accepted our present commitments, but today we must start to think of altering them. If we only had ultra-mobile troops for multiple purposes but without nuclear weapons, a reduction of our forces in Europe would have less disastrous consequences and would not bother everybody.

Due to the possibility of a decision to carry out the complete withdrawal of our forces—I do not advocate this today, but it could happen if conditions changed—I say that it would be possible to take such a decision without completely disorganizing the European defence under a single command.

Mr. Speaker, I would like to conclude by stating some of my views on the defence policy of Canada. I do not pretend that I have in hand all the facts which would enable me to justify my conclusions and I do not know whether our allies would accept them. It is their problem and not mine. This is why I wish to respect all the same the views of others. I feel that it is time to alter our defence policy. Let us not be diffident at least with our allies.

I do not see how Canada could isolate itself in neutrality. That seems to me unthinkable, and the more so since the other countries in the world will never consider Canada as a neutral or non-aligned country, first of all and in particular because we are next door to the United States.

However, as I said before, we should change our role within the NATO forces and even foresee a long-term phasing out of our establishment, when tension eases in Europe, and thereby perhaps reminding our allies to be prepared to act more positively, and even sooner than expected, so as to accelerate the process.

As concerns our contribution to SACLANT, I have been puzzled about it ever since 1965. I wonder why, indeed, our Navy keeps chasing submarines in the Atlantic, especially if one considers how much it is costing us, particularly when it is time to renew our equipment.

Mr. Speaker, Canada owes it to itself to be identified, as it was in the past, with an international force known the world over, and I do not see why, especially since we discussed the Defence estimates this week, we could not find a way to reduce considerably our armed forces' salaries by establishing in Canada some kind of service—be it called compulsory or voluntary—in which young Canadians would be enlisted. We could then ask them to join a Canadian peace force. They would not necessarily be required to become experts or to make a military career of it, but simply to hold on to an ideal, as Canadians, in order to serve in Cyprus, in the Congo or anywhere else where their services could be needed.

Mr. Speaker, the Canadian forces are made up of specialists. We have noticed from the estimates that they include more chiefs than Indians, since the number of private soldiers represents only 20 per cent of a total of 90,000 men.

I think however that by changing our defence policy to make our forces more homogeneous, we could have a place for volunteers willing to specialize in defence and, by the same token, a special branch for young people in order to attract more of them into our armed forces. We could ask them if necessary to sacrifice one year of their life for their country and for the promotion of peace.

The Acting Speaker (Mr. Béchard): Order, order!

[English]

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, it is interesting to reflect on the number of speakers in a debate of this sort when the time limit for speeches is set at 15 minutes. It means that there can be participation from the back as well as the front benchers. We in Canada are fortunate that there are no political implications in the results of our National Hockey League games. In the city of Prague, where I was last week, the downtown buildings are marked with the results of two games of political and other importance to the people of Czechoslovakia. The scores are marked 4:3, 2:0, and the admonition is to remember, remember. Unfortunately, these admonitions are in chalk. At the institute of philosophy at Charles University the billboards, still of a transient nature, carried the projected weather reports advising of storms and thunder ahead, and inside the storm clouds the students had drawn Russian tanks. The slogans, of course, were gestures of defiance. Perhaps it can be said that because of this defiance, and that of the journalists as well as the trade unionists, the Soviet Union had no alternative but to cause the resignation of Dubcek. Just as in 1938 the poet, Edna Millay wrote: "There is no balm in Gilead", so in 1968 and 1969 there is no balm in the western world to salve the agony of Czechoslovakia.

• (8:20 p.m.)

But that does not mean that we should not do all in our power to maintain all possible contact with eastern Europe, diplomatic, trade, cultural, and even parliamentary. Détente, after all, and I think all speakers have agreed with this, is a legitimate policy objective of modest powers like Canada as well as of the so-called super powers. Perhaps these few sentences are a bit of a diversion, but diversion is not an unknown characteristic of parliamentary debates. It is interesting that under the Soviet system power blocs must be kept in line by means of invasion; witness Hungary in 1956 and last summer's episode in Czechoslovakia.

Of course, the alliance that we are debating today needs no such military intervention. Here, we are debating the alliance, and apparently it is stable enough even to survive yesterday and today. On April 10, in a lead editorial, the New York *Times* reminded us that the alliance has been reported in disarray almost annually since its inception. But there has always been more to unite it than divide it. The editorial goes on to say that the achievement of a European settlement remains the chief unfinished business of a troubled world.

May I remind the house that my leader and this party do not for a minute suggest that a European settlement is the only unfinished business in the world. Speakers from this side and in other parties have reminded us, and accurately so of course, of that third world, crowded, hungry and sick, which demands our attention and our compassion. It demands the attention and compassion of the NATO alliance.

The amendment proposed by the Leader of the Opposition (Mr. Stanfield) was specifically designed to draw attention to the need for a widening and not a narrowing of our world wide obligations.

Some hon. Members: Hear, hear.

Mr. Fairweather: It was drawn up in recognition of the validity of the words of a distinguished Canadian diplomat, Escott Reid, who said that the two most important world issues of the next 20 years are how to speed up the dangerously slow rate of economic growth of the two thirds of the world that is poor and how to narrow the dangerously wide gap between China and the rest of the world.

I suggest that our Secretary of State for External Affairs (Mr. Sharp) and our Minister of National Defence (Mr. Cadieux) have an obligation to exercise the leadership in the 1960s and 1970s that their predecessors did 20 years ago.

Some hon. Members: Hear, hear.

Mr. Fairweather: This country must be in the vanguard of those seeking, through NATO, a multilateral east-west forum which can serve as a practical alternative to the sort of propaganda device suggested by the Soviet Union and billed as a conference on European security.

We need, in concert but not alone, mutual force reductions. We need, in concert but not alone, arms control. We need, in concert, a plan for access to all of Berlin. We need, in concert, freer west-east travel, trade and cultural exchanges.

I seriously suggest that the purpose of this debate is to question whether Canada can maintain a believable role in these and other objectives if we turn our backs on the collective principle of the alliance. The *Economist* of April 12 suggests:

> However small the amounts involved, the collective principle is endangered by any unilateral reduction.

There is the issue. Canada has embarked on a unilateral reduction. The Secretary of State for External Affairs said this afternoon that Canada's decision is not negotiable, which I think his colleague, the Minister of Labour (Mr. Mackasey) would admit is a rather odd way in which to begin the government's heralded consultative process with our allies. If consultation still means to the government what it does to the editors of the Oxford Dictionary, namely to take counsel, to seek information and advice, one wonders how valid the process will be if, before taking counsel or seeking information and advice, the government has already closed the door by saying "not negotiable".

Some hon. Members: Hear, hear.

Mr. Fairweather: When the Committee on External Affairs and Defence was hearing evidence, one of the distinguished witnesses was General Charles Foulkes who suggested a different military role for Canada within the alliance. If, out of the obscurity of the government's announcement, comes the creation of a highly mobile force, many would not quarrel with this military decision. But all the advice I listened to in Europe stressed the importance of the Canadian presence on that continent. There are reasons for this within the armed forces themselves, and I was naïve enough to ask this question in Brussels—an innocent abroad, perhaps. I asked whether, leaving aside every other aspect but the military aspect, it is not valid to think that it is useful to have troops in a different milieu than that of the North American continent. Of course the advice was, yes.

I do not look upon NATO and our participation in it as an extension of Canada's somewhat shopworn posture of tagging along behind the United States and the United Kingdom. In fact, NATO provides us with a role in Europe which continues no matter what other international aspirations and commitments we may have.

Some hon. Members: Hear, hear.

Mr. Fairweather: As the *Economist* said, it is a crucial aspect of our foreign policy. We are dealing, I hope, with facts of life. The former minister of transport used to call them "hard facts". One of them is that the United States, the United Kingdom and Germany, the three essential members of the alliance, no matter what we may do, mean to carry on the alliance.

• (8:30 p.m.)

I suggest that we must carry on, and that to keep our role within the alliance believable we must participate in it to the full. We realize we are not living in those days 20 years ago, and we thank God for it, when a massed, all-out armed assault by the Warsaw Pact powers in Central Europe, which would have been met by immediate nuclear retaliation, was a threat to be reckoned with. Today, this is no longer a probability. We know, however, that we must be prepared for possibilities.

May I again quote an edition of the *Economist*—an earlier edition this time, that of April 5. Here is an article entitled "What NATO Needs", offering the suggestion that three matters have to be put right.

First, NATO needs more formations to defend the rear areas in Germany. Both the Germans and the British are now trying to do something to sort this problem out. Second, NATO needs forces which can contain, or, by getting there fast, can deter, any scuffle which might develop along the German border were eastern Europe to be in an uproar. Third, it needs troops which can convincingly do much of the same anti-trespassing job on the flanks, particularly in the Balkans after the last Yugoslav scare, but in Scandinavia as well.

All three objectives could be secured were NATO to have active formations of "light" troops with tactical ability through the use of helicopters and strategic ability through the use of transport planes.

The author goes on to say:

But inevitably these light cavalry men of the air would be short of tanks and guns. So they would need plenty of anti-tank weapons, including helicopter-borne ones, a good sprinkling of engineers for laying minefields, setting up roadblocks and demolitions, and strong close support air cover.

If the government's proposal is based upon a reduction not only of the number of troops in Europe but of the proportion of the budget which the government must spend on defence, I fail to see that the right hon. gentleman has made any case. Comments we heard before the committee were to the effect that defence would continue to account for a large proportion of our budget. One of the witnesses before the committee, a German journalist, used a metaphor to describe the NATO situation. I am making a precis of his remarks. He said that moves toward a détente were like a house with three storeys. On the top floor were the super powers, the United States and the Soviet Union, which cleared their throats and made noises while suggesting new attempts to talk to each other. Now, this is my comment, Mr. Speaker: talk they must, before each side is committed irrevocably to costly, irrelevant and hugely expensive antiballistic missile systems.

On the next floor are other countries of the east and west of Europe represented by the NATO and Warsaw pacts. These countries have compelling reasons of history, geography and economics to move toward an ending of mutual suspicion and fear.

The ground floor of the metaphorical house contains West and East Germany, and common blood ancestry and tradition are added to the other reasons which make talking together mutually advantageous. Like other houses, the one I call to mind has windows facing outward and stairways leading up and down between the different levels. These are the windows which show us the third world, the world which Escott Reid and others have mentioned. In fact, it has all the attributes of a useful place in which to pursue understanding and peace.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member but his time has expired.

Mr. John Roberts (York-Simcoe): It is a disheartening thing that so much of the discussion of foreign policy at the present time is oriented toward the past rather than being an attempt to look ahead to see what are the prospects and opportunities for Canadian foreign policy in the future.

We cannot form an adequate foreign policy by resolutely looking to the past. The fact that we have always participated in certain arrangements is not, in itself, a sufficient reason for continuing to take part in them. That attitude seems to spring from a belief that if you can only see where you have been you will know where you want to go. But a man who tries to drive an automobile by looking in his rear-view mirror is likely to crash. We have all heard about those generals who make preparations for future battles as though they would be a continuation of previous wars. To keep going uncritically in the same direction as in the past is a recipe for disaster.

No one doubts that our policy has been successful in the past. We participated in Europe in the establishment of a credible, flexible response to forces of Soviet expansion. The purpose of this response, maintained through NATO, was to deter the Soviet Union from any military adventure in Europe. The question which confronts us today is whether Canadian participation in

military arrangements in Europe is essential, or useful, in making this collective response effective in the future. Is Canada's participation important enough to give her influence on the design of these defence arrangements and could her resources be used to equal, or better, purpose in seeking some other foreign policy objective?

It appears to me that the maintenance of a credible, flexible response in Europe is the paramount responsibility of the European countries themselves. Our original commitment to keep forces resident in Europe was expressly temporary, designed to assist in defence until Europe was sufficiently recovered economically to provide for its own defence. One cannot argue that a renewed Europe remains economically incapable of providing an effective collective defence. Europe does not participate in the defence of North America and it is difficult to argue that the participation of Canada is essential to the defence of Europe.

Some hon. Members: Oh!

Mr. Forrestall: The voice of experience.

Mr. Roberts: I am not suggesting a new policy. It is a reiteration of what has always been the basis of our commitment to Europe. I suggest we should now make it clear publicly to our allies that our commitment is still temporary, and that we look forward to terminating it in the near future as soon as it can be arranged without grave disruption to their interests. Above all, since re-equipment is now at a critical stage, we should not allow ourselves to undertake any re-equipping which could lock us into a commitment for several years and thus preclude us from exercising our option to withdraw.

It is clear that our present military role in NATO is unsatisfactory. There was almost unanimous agreement on this point among knowledgeable witnesses who appeared before the committee on external affairs. Almost all witnesses with military expertise stressed that our air-strike reconnaissance role in Europe, which costs $70 million each year, and the mechanised brigade, constitute an expensive and wasteful use of our military resources.

Mr. Forrestall: Nonsense.

Mr. Roberts: The hon. gentleman should simply look at the record of the committee. He can do it.

Mr. Forrestall: I have had a long look at it.

[Mr. Roberts.]

• (8:40 p.m.)

Mr. Roberts: The hon. member did not look at it long enough or, if he did, he did not read it thoroughly enough. Rather than disperse our efforts in varied military tasks, our forces should be tailored to one concept, the mobile concept. The mobile concept gives an opportunity to do a very great variety of jobs. We have now two types of ground forces. We have a heavy brigade in Europe devised for limited nuclear warfare on the continent of Europe, which has to be supplemented, of course, by forces in Canada for the necessary rotation and we have the beginnings of a true mobile force which is much more lightly equipped fulfilling a different concept. It is an intervention force for small conflicts. We should drop our heavy ground force altogether and establish one type of mobile force. It would be much more economical because we could rotate from a much greater reservoir. We would not have to have two types of equipment and two types of training.

Similar arguments apply to our air role. Here, too, we have a force in NATO for a task that is not duplicated anywhere else in the Canadian defence organization—that is, the strike reconnaissance role. For our six squadrons we have to maintain rotational capabilities and training capabilities. We have to feed new crews into it. If all our air efforts were in the tactical field or supplementary to our mobile ground forces, then we could not provide squadrons of nuclear strike aircraft. I am not arguing, Mr. Speaker, that we have no interests in the defence of Europe nor in maintaining a deterrent capacity in North America. May I say, however, that the objectives we have do not require us to maintain our present military commitments.

I suggest that the NORAD bomber defence system is obsolete and, in any case, one cannot conceive that bombers would be used until I.C.B.M.'s have already been brought into play. Money spent on improved bomber interception is completely wasted, since it neither adds to our defence nor to our deterrent power. Anti-submarine warfare has reached a level of technological development which makes it inordinately expensive for us to continue in this activity.

The economic recovery of Europe and the increasing crystallization of a separate European strategic interest have removed the original justification for the presence of Canadian forces in Europe. The temporary nature of our original commitment to NATO forces in Europe should be reiterated and we

should look forward to a withdrawal of our forces within, at most, five years. The strike reconnaissance force and the heavy brigade should be phased out and replaced by strengthening our mobile force. Under no circumstances should we re-equip in such a way as to lock ourselves into a NATO role which would preclude our military withdrawal in the near future.

May I submit, as my last point, that both NORAD and NATO are instruments of discussion and, perhaps, consultation, although these intangible benefits can be marginal. Nevertheless, there are very useful benefits—

An hon. Member: I am disappointed in you, John.

Mr. Roberts: Well, I was disappointed in the speech the Leader of the Opposition (Mr. Stanfield) made. It was an entirely negative speech. I am told he made it yesterday; unfortunately I only had the opportunity of reading it in *Hansard* to-day. From my reading of it, it contained not one positive point. If that speech were a declaration of the foreign policy of the Conservative party it would be a declaration of bankruptcy.

Today, in the House of Commons, the Leader of the Opposition refused to give unanimous consent for the Secretary of State for External Affairs to continue his speech.

An hon. Member: That was a house order, my boy.

Mr. Roberts: That was an ungenerous act. Also, it was uncharacteristic. The Leader of the Opposition was more than ungenerous in his discussion of the government's foreign policy. He did a disservice in distorting the presentation of our position.

An hon. Member: Nonsense.

Mr. Roberts: All this talk about "isolation" and "fortress America" has done great disservice. If one takes the trouble to read what the Prime Minister (Mr. Trudeau), said recently at Calgary, one will see what is this government's attitude toward foreign policy. Our Prime Minister said that our foreign policy ought to serve our national interests. In his speech the other night he went on to say:

> —when I say national interests I am not thinking in any egotistical sense of just what's happening to Canadians. It's in our national interest to reduce the tensions in the world, tensions which spring from the two thirds of the world's population who go to bed hungry every night, the two thirds of the world's population who are poor whereas the other third is rich, and the tensions which spring from this great ideological struggle between the east and the west.

That is the aim of our foreign policy. It has nothing to do with isolationism or fortress America. Also, if one examines the speech the Prime Minister made in the House of Commons, one will see that among the five points he proposed there are points relating to peace keeping, to arms limitation and to increasing our contribution for purposes of external aid. Those points have nothing in common with isolationism or the concept of retreating into fortress America. That approach has nothing in common with the approach described—inaccurately—by the Leader of the Opposition.

An hon. Member: Come on, John. Be honest.

Mr. Roberts: We cannot withdraw ourselves into a fortress America. We cannot adopt a policy of isolationism or of North Americanism.

Some hon. Members: Hear, hear.

Mr. Roberts: I knew if I spoke long enough I would find my hon. friends supporting me.

Mr. Alexander: That's because you are coming to the meat of it.

Mr. Roberts: Slogans are no substitute for a foreign policy—even the out of date slogans of the Leader of the Opposition. We cannot wash our hands of what is happening outside our continent. We cannot hope to see permanent peace in the world if we adopt an approach in our foreign policy of isolationism and continentalism. I submit that the foreign policy of the government is not tailored to fit isolationism. It would equally be folly to adopt a rear view mirror approach to our foreign policy and to decide that we must do in future what has been done in the past. If we do that we fail to take into account the real threats to security in the world today. It is no use trying to fight again the battles of yesteryear.

An hon. Member: Who wrote that line, John?

Mr. Roberts: I should like to refer the hon. member to a speech that Mr. Khrushchev gave in 1961. In it he said that the real threat to security came from wars of national liberation; we would call it aggressive subversion. That is the kind of thing about which we ought to be concerned. These are not simple

military problems. They are most complex, involving questions of military, political, social and economic relations. Those are the kinds of problems we are faced with when we deal with problems of subversive aggression.

It is all too easy to minsunderstand these problems. They are difficult, complicated, and not easy of solution. If we are to meet such problems we must be concerned about peace keeping and be ready to play our part in international aid efforts.

The first of two major objectives in our foreign policy is peace keeping. There have been over 50 wars since 1945 and there is a need for improved institutional arrangements in the world to control and contain these disputes. There is nothing isolationistic in that approach. The other objective of our foreign policy ought to be the encouragement of external aid and development work. The need for expanding Canada's efforts in external aid and development work, seem to me so obvious as not to need lengthy elaboration. We are a rich country and have access to technical skills and investment capital which underdeveloped countries badly need. We are a trading nation containing two major cultures, each speaking a world language. We spend about half of one per cent of our gross national product on external aid. That is not enough. We must do more.

There are many basic tasks for us to perform, valuable to others and useful for our own interests. We do not want for work, nor do we want for capacity to undertake it. Our task is to construct pragmatic policies to deal with a work-a-day world and not to yearn for a grander, more dramatic and more self-congratulatory role as saviour of Europe.

Mr. David MacDonald (Egmont): Mr. Speaker, I hope that by speaking in this debate I shall contribute, if ever so slightly perhaps, to the dimension of the discussion that has been taking place in this chamber. It ought to be obvious by now that the debate that began yesterday afternoon is basic to the question of national security. We want to know how we are to preserve it. We want to preserve, in this nation, many of the values and benefits our people have enjoyed over the past century of development. It strikes me, however, that we ought to be concerned about three basic areas that touch our national security, and they will become obvious if we consider the problem in a methodical way. In the first place, we must be concerned about preserving some semblance of national unity and some simple law and order within this country. We must also be concerned about the possibility of revolution at home. Our first concern in maintenance of national security is that of peace at home.

• (8:50 p.m.)

Secondly, it is the preoccupation of every nation to take all reasonable steps to prevent aggression from abroad. We are a rather fortunate nation in the history of this world, even though we have been in existence for a century. We have only suffered direct aggression on our soil once. Perhaps it is one of the ironies of history that that particular aggression was by a country that has always been regarded as our best neighbour, the United States.

The third basic way in which we preserve our national security is in dealing with possible hostilities or confrontations in some other part of the globe that could eventually boil over and involve us in our own country. It is this third matter of national security which concerns us. We are concerned here specifically with the viability and vitality of our NATO commitment. It is, perhaps, not strange to think that our country has been preoccupied for the better part of this century with peace in Europe. It is not strange because we have given the best treasure that this nation possesses in two very ghastly world wars on that continent.

We have been concerned in a pre-eminent way, therefore, in maintaining the peace of Europe. The main contention of those who continue to argue the validity of the North Atlantic Treaty Organization is that it has in the past 24 year period, a considerable passage of time, preserved peace on that continent. If the argument is accepted at face value, as so often it is, surely it is not a strong one because there are many countries in this world who have been involved in these two world conflicts in this century. Countries such as Australia, South Africa, Sweden and others could, in fact, say they have also known peace for this period but have not been involved in a similar alliance. They might be moved to say, because they were not involved in that alliance, their peace was preserved.

It is rather interesting to realize the nature of the NATO alliance. It is the enemies of yesterday who have, in fact, for this period of a quarter of a century been the allies of today. It may be when we speak freely of the prevention of war in Europe, that we are

referring to the fact that the major combatants find themselves within the ambit of this particular organization. More recently this view has been given some validity by the fact that the NATO organization is its flexible response.

Since the discovery and realization of the nuclear weapon, it has been necessary for man to indicate what limits are involved in attempting to prevent or protect himself from aggression. The argument of flexible response has been used often and loudly. The suggestion that without it every provocation would become a danger, not only to the peace of Europe but the very security of the whole world, is an interesting argument. I think it is more than a little possible to argue from the other side. It has been suggested that once we have accepted the fact of a flexible response, then we give an indication not only to our allies but to our potential enemies that we are willing to suffer certain levels of hostility rather than press that button for massive retaliation.

Some may argue that is a weak, if not a ludicrous, argument. If that is so, we have not fully considered the implications of what occurred in Czechoslovakia last summer. What did we learn from Czechoslovakia? Most of us seem to be of the opinion that we learned Russia is still extremely aggressive. I find this to be no particular surprise because I think we have known that all along. We discovered with the invasion or occupation of Czechoslovakia the lightning speed with which Russia could move her forces. The NATO organization, in fact, made this great discovery. If it was a new discovery for NATO intelligence headquarters, it makes me a little uncomfortable about the accuracy of our intelligence. Next, and most important, is the belief that the knowledge of a flexible response, both in the east and west, was sufficient for the Russians to believe that they could occupy Czechoslovakia without greatly endangering their own security or that of their allies in the Warsaw Pact. It may not be an argument acceptable to many, but I think it is well worth considering in these changing times.

A large body of opinion in our time is that, militarily at least, NATO has been successful. If that is true, what then is our answer to those who subsequently ask, what about political success? As long as Germany remains divided in the heart of this confrontation, and as long as Russian leaders and Russian people suffer from the extreme German paranoia which I believe exists, we cannot believe we have secured very much either for ourselves or for our allies in what has been happening to date within the context of this alliance.

It is my purpose here this evening to raise basic questions which I think must be considered if we are in any way to have some sense in our foreign and military policies. What are the greatest dangers in 1969 to our national security? Who has told us in an official way in this debate what it is that we should fear most? I cannot recall the Prime Minister (Mr. Trudeau), the Secretary of State for External Affairs (Mr. Sharp) or the Minister of National Defence (Mr. Cadieux) indicating to us in some definite way what these first priorities are. How have they, as the custodians of the government of this country, perceived the real threat which faces our own national security? We are in a rather strange situation when discussing military or foreign matters. We talk about defending ourselves and our security, yet we never point to what are our greatest dangers. We are a little like that well known fable about the emperor in the great parade going down the street of a very large city. Everyone is watching it go by, cheering and applauding this great man when suddenly a little child says, "He has no clothes". This is what has been happening so often in our debates on vital matters of defence and security.

We have not clearly stated the greatest threat to our national security. If I were to make that challenge in this debate, I would immediately hear from all sides of this house, "communism"! I am not afraid to use the word. We are afraid that communism is at the root of the danger to our national security. What form of communism is it we fear? Is it the Russian variety, Chinese, Yugoslavian, Albanian, Czechoslovakian, Rumanian, Polish, East German or some other form? Presumably, we have made some determination on one or all these different kinds of which we have some fear.

• (9:00 p.m.)

Yet in 1949, when we put together the Alliance that we used in one major way to cover the danger from this potential threat, we did not have to ask ourselves any questions with regard to these different forms of communism. I might also ask, if the threat is real why has communist success been so

erratic from place to place? Is it really communism that is at the bottom of the threat to our security? Is it in fact, and I intend no pun, a red herring dragged across in front of us to distract our attention from the vital things, the basically dangerous things that do indeed threaten our security, those six devils we all have confronted from time to time in our concern as men in public office: hunger and disease, fear and despair, oppression and corruption?

Where and how have we recognized these as the real threats to our national security? If we try to delude ourselves into believing that these particular threats to our security have somehow diminished and gone into a state of unimportance, we are not recognizing the facts. We know only too well from reading our daily newspapers that the enemy has grown. The threat is not only real, it is increasing. It is a genuine threat to each and every member of this house and to each and every home in this country that we represent.

How can we say, as we so often do, that we are concerned about maintaining our national security if we do not address ourselves to these basic threats? In the beginning of this speech when I indicated the three broad areas of national security, I mentioned that the first one was maintaining security at home. How have we maintained harmony and peace at home over the decades? We have not done so with armies and ammunition, but through concern for our fellowmen. A public figure of our time has indicated that the new name for peace in our time is, and must be, development. We have known it all along. We have just not been willing to recognize it sufficiently. If we forget it in 1969 and the 1970's in this one world, we forget it in our peril.

Mr. Alastair Gillespie (Etobicoke): Mr. Speaker, in speaking to this motion I wish to make it quite clear that I support the motion; that I interpret "planned and phased reduction" to mean reduction and re-arrangement, not to mean the effective withdrawal of our forces from Europe at this time as some hon. members opposite have done; that it means we will continue in Europe beyond the end of 1969 but on a reduced and different basis, a basis to be discussed with our allies.

I would like to deal with three points and to underline those three points. The first is that conditions are changing and that we must adapt to, indeed, anticipate change. More than that we should try to bring about the kind of change that we think is needed. We should not react passively but we should anticipate actively.

The second is that NATO is not just a military alliance. It is a political alliance with political objectives. Similarly, Canada as a participant in NATO participates in more than just a military way. Membership gives a country political benefits, and resident membership in the club provides just that many more.

Third, the decision to re-examine our nuclear role in Europe is timely and one which I hope will lead us to reject nuclear weapons as part of our armaments, after discussion with our allies.

I fear some of the things that the last speaker mentioned. I fear perhaps more than anything else miscalculation or accident. I fear misunderstanding, and misunderstandings will develop if there is not a clear intention on the part of the western alliance.

In speaking to these three points, I think it is important that we recognize the foreign policy framework within which our NATO posture must operate. First, defence policy should be a servant and not the master. This debate should have taken place before now. It should have taken place at the time of the unification debate, at that time or before it. It is long overdue.

Second, we should see our foreign policy objectives as a whole, not as component parts. Too often there is a tendency to look at foreign policy in terms of military objectives, set aside from cultural or political objectives, or set aside from trade objectives. In my view, we should examine each of our foreign initiatives against each of these tests. For instance, how does NATO serve our political objectives? How does it meet the test of our cultural or national identity objectives, and our trade objectives? In my view, it meets them all, and meets them well.

In foreign policy terms, obviously our primary role is a security one in NATO. We believe in collective security and in maintaining the stability of the world order; but it is also important that we see security not just in these military terms, not just in terms of survival, but that we see security in terms of economic strength and political understanding, in terms of composing national interests and ambitions.

Those within the alliance have trade objectives and objectives of national identity, and we are no different. Similarly, our trade interests in Europe are important to our economic health, which in turn determines our

ability to play a part in the security system, and our ability to take initiatives in seeking ways of reducing tensions between east and west.

It seems to me that there is a real danger, and we have seen evidences of it in this debate, that we may lose our perspective and see our interests in Europe as being no more than military. I emphasize that we have infinitely more at stake than a mere military role. We need Europe, and Europe needs us.

Some 20 years ago, Mr. Speaker, Europe was recovering from a devastating war. There was all sorts of evidence of aggressive Russian intentions. Europe was weak and we were strong. We ranked behind the United States as the No. 2 power economically, and behind the United Kingdom and the United States as No. 3 militarily. But we also needed Europe because we needed collective security. And while Europe needs us today, it needs us in a different way.

Europe has recovered economically, but it requires our partnership in NATO for the political role that we can play. In this connection I would like to say something about the importance of Europe and NATO to our national identity. I think the sense of Canadian identity requires more than bilingualism or an acknowledgement of our multicultural nature. These are very important. They help to identify us, but bilingualism and multiculturalism by themselves are not the same thing as identity. We find our identity in the things we do well. It reposes in our self-respect and our national pride. It is revealed best when we share a common purpose with others. Our identity as a nation will not be viewed in the same way by all Canadians. Our experience and our cultural heritage will influence our point of view; but our identity as a nation will develop as we pursue common goals with others.

• (9:10 p.m.)

I should like to return to a view that has been put by some speakers. The voice has been heard in the land that today Europe is strong, that it no longer needs us. I should like to deal with two aspects of this as being misleading. I have already mentioned one. Europe today needs us for different reasons than it did twenty years ago. It needs us for the political contribution we can make by virtue of our military participation in Europe and our unique position within the alliance. Secondly, in my view the argument is false because it ignores, as I think I have already said, the other side of the coin; Canada still needs Europe. NATO is important to us because it is multilateral, because it provides an institutional connection with the second most powerful area in the western world.

NATO also provides Canadian parliamentarians with an opportunity to meet and communicate with parliamentarians of the NATO countries. While I would not want to overemphasize this as one of the benefits of our participation in NATO, I think it is something worth remembering and remarking on at this time. Again referring to the North Atlantic assembly, last November I was privileged to attend as a member of the Canadian parliamentary delegation, most ably led by Senator Aird. I very much regret his resignation but I respect his reasons for it. He will be missed.

Canadians do not have the same opportunities as Europeans to meet and discuss matters of public policy or of joint or international initiative at the parliamentary level; nor do we have the same opportunity to discuss conflicting international interests in a public forum with other parliamentarians. I think the North Atlantic assembly is important to Canadians because it provides them with an opportunity to discuss international matters with others so involved.

Thus, for reasons of collective security and stabilization of the world order, for reasons of national identity and for economic and trade reasons, NATO and Europe are important to us. More particularly, our membership is important to us because it will enable us to play a creative role in reducing the tensions of the world.

Finally, I should like to refer to one matter with which I dealt in my third point and which was dealt with in the Prime Minister's speech. I refer to the question of nuclear weapons. Surely, we have a major responsibility to seek ways of reducing and not just limiting the number of persons in the nuclear club. While we can take pride in the fact that we have signed the nuclear non-proliferation treaty, let us make every effort to reduce our own nuclear participation so that we may encourage others to take the same step. I refer in particular to the fact that Germany has not yet signed the non-proliferation treaty. I think this is a matter of concern to Canadians as I think it is to the people of many other countries. I feel our membership in NATO will be important in securing this objective.

For reasons then of change, and for reasons involving the security of Canada and the stability of world order, let us waste no time this evening in approving the motion before us.

THE MINISTRY

RESIGNATION OF HON. PAUL HELLYER—TABLING OF CORRESPONDENCE

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, may I have unanimous consent to revert to motions?

Some hon. Members: Agreed.

Mr. Walker: Earlier today the Prime Minister indicated that correspondence relating to the resignation of the hon. member for Trinity (Mr. Hellyer) as Minister of Transport would be tabled. I, therefore, would now like to table copies of that correspondence in French and in English.

NORTH ATLANTIC TREATY ORGANIZATION

MOTION FOR APPROVAL OF GOVERNMENT POLICY

The house resumed consideration of the motion of the Prime Minister (Mr. Trudeau):

That this house supports the government's policy of continued Canadian participation in the North Atlantic Treaty Organization and the intention of the government, in consultation with Canada's allies, to take early steps to bring about a planned and phased reduction of the size of Canadian forces in Europe.

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, the Prime Minister recently suggested in two speeches, one in Calgary and one yesterday in this chamber, that foreign policy should dictate defence policy and not vice versa. I agree. I should like to demonstrate that, instead of contributing to our foreign policy objectives, continued membership in NATO at this time serves mainly as a hindrance.

First of all, I would suggest four objectives of foreign policy which I think most Canadians could agree upon. First is the preservation of international peace, particularly but not exclusively between the nuclear powers. The second is the provision of assistance to the developing nations of the world. The third is the fostering and protecting of democratic societies. The fourth is the maintenance of our national sovereignty.

NATO came into being 20 years ago because the economically and militarily weak nations of western Europe felt quite justifiably a threat coming from the Soviet Union. Canada was one of the initiators of NATO. We saw the threat of the Soviet Union and appropriately responded by helping to found NATO. At that time, we had both the financial and military resources that were badly needed by our western European friends. However, now, 20 years after, the North Atlantic world has changed in two important respects. First, western Europe is strong both militarily and financially. In short, the countries in western Europe can, in the main, look after their military needs.

The second point is that it has been recognized for some time that the main deterrent to Soviet expansion in western Europe comes from the nuclear capability of the United States of America. We all know that the United States is not going to withdraw from NATO. What then are the logical conclusions Canadians should draw? The first is that militarily we are no longer needed. The Prime Minister indicated this in his speech yesterday and the hon. member for York South (Mr. Lewis) this afternoon showed the logical implications of his own conclusions in that regard.

The western Europeans are quite capable of replacing our excellent but small military contribution. The only reason for remaining in NATO is, as the Prime Minister again suggested, that membership would be politically advantageous to Canada. It is my view that continued membership in NATO would have in fact a negative and not a positive effect upon our political objectives.

• (9:20 p.m.)

Let us consider the elements I have mentioned one at a time. The first is the preservation of international peace. I suggest Canada would be in a much better position to take meaningful initiatives in attempting to achieve an acceptable disarmament plan in Europe. It is illusory to believe this can be done effectively within NATO. Of course, there is a non-military clause in the charter, which has been there for 20 years, but does anyone seriously think it will be implemented? Does anyone seriously believe that the military figures who dominate NATO will initiate disarmament proposals? Just last week NATO turned down an offer by the Warsaw Pact countries to discuss disarmament.

Quite apart from western Europe, we would be much more acceptable in the world

at large as a peace keeping force if we were not a member of NATO. This is particularly true of the developing nations, many of whom are in direct conflict with old colonial powers in NATO, and Portugal is a good example, or fear involvement with the United States or the Soviet Union. If any of us were members of a developing nation and we were asked in all seriousness, would we prefer to deal with a Canada which shared its military intelligence with Portugal, Greece and the Central Intelligence Agency of the United States? Of course, the answer is no, we would not like to be in that position, but would like rather Canada to be independent.

Canada, as a non-member of NATO, would be free at the United Nations to criticize equally the two dominant powers in the world. When we rightly criticized the barbarism of the Russian invasion of Czechoslovakia it would have had more meaning to the rest of the world if we had also previously joined the thousands of United States citizens who condemned their country's invasions of the Dominican Republic and Viet Nam. Such freedom to criticize, of course, is not nearly so likely to come from fellow members of NATO.

Finally, on this point of withdrawal from NATO, this does not mean we would be unwilling to aid in the defence of our old allies if one or all should be attacked. A tactical mobile force, as suggested by many members of this house from all parties, could be made available to the United Nations and would be available to halt or check aggression anywhere in the world, whether in western Europe, southeast Asia or some other spot. Canada should be proud to make such a contribution.

The second foreign policy objective that Canada should follow has to do with assistance to the developing nations of the world. As has been said so many times, two thirds of the world's population lives in poverty. They are poor in health, in education and in housing. One of our main foreign policy objectives should be to do what we can to change this situation. I was pleased to note the Prime Minister's intention to take this objective seriously. However, answers to questions on the order paper by the hon. member for York South revealed very clearly that one of the great things that Canada emphasizes, our great assistance to developing nations, is a myth. The answers reveal very clearly that Canada's record is poor in this regard as compared with what other less prosperous industrial nations are doing.

By withdrawing completely from NATO and simultaneously changing our military requirements, it is possible to make massive reductions in our military expenditures. One expert, principal Escott Reid of Glendon College, York University, estimates in all seriousness that we could cut our military budget of $1.8 billion by half. Even if his estimate is exaggerated and we could not reduce it by that amount, it is certain that millions of dollars could be cut. We would then be able to contribute millions of dollars more to the poor countries of this world, to our friends in the Commonwealth, our friends who are members of the United Nations and our more recent friends in the Francophone world.

A third objective is the fostering and protection of democratic societies. Somewhere in the NATO charter there is the commitment to the protection of democratic societies. What a sham this is, Mr. Speaker. Should we not speak the truth? Portugal is a fascist country. Greece is a fascist or at best a quasi-fascist country. According to Andreas Papandreou, a respected senior member of the former democratic government of Greece, the Central Intelligence Agency of the United States was a very important instrument in establishing the new régime and removing the old one. Are we not hypocrites when we condemn the brutality and rape of human values by the Russians in Czechoslovakia but turn our eyes away from the same violence in Portugal and Greece? Once again, let me say that membership in NATO restricts our capacity to speak and act in defence of democracy.

The next objective or goal is maintenance of national sovereignty. Since the birth of nation states, one of the central goals of foreign policy has been to preserve national sovereignty. Militarily this has meant guarding one's borders. If we consider our geographic position and modern weaponry, it becomes appropriate to ask whether military defence is at all relevant to Canada's sovereignty. Who is going to attack us? Are the Russians likely to send troops over the North Pole? Is the United States likely to send troops to cross our southern border? Could we stop either country if it decided to do so?

We should completely abandon any futile attempt to defend our borders. Instead, we should be thinking very seriously about ways in which our geographic position can be used to avoid the most serious danger facing mankind. I refer, of course, to nuclear war. Should we not be devoting intellectual energy to devising schemes for preventing a first

strike attempt by either the U.S.S.R. or the U.S.A. against one another?

The Prime Minister had the courage to raise questions about the legitimacy of the possible first strike role assigned to our "A" bomb carrying aircraft in Europe. We should apply this same reasoning here at home, and we should recognize that the Russians as well as the United States have a legitimate fear of being attacked first by nuclear weapons. Perhaps we, as Canadians, could make a major contribution to the avoidance of nuclear war by seriously considering means whereby our own geographic position might be used to reduce tensions on both of our powerful neighbours. It seems to me that continued membership in NATO would make such a possibility incapable of realization.

In conclusion, I should like to suggest that Canadians should choose a course of action which reveals emotional and intellectual maturity. We will not be abandoning our friends by leaving NATO. Rather, we will be striking off on a new course which is consistent with contemporary facts. Our democratic allies in Europe are now prosperous and strong, and they are capable of defending themselves. We are now in the position of being able to join those middle power nations like Sweden and Yugoslavia who seek to chart their own courses in world history.

We are part of the family of man. We have much to contribute to the preservation of peace and the alleviation of world poverty. It is to these ends we should now devote our energy.

Mr. H. E. Stafford (Elgin): Mr. Speaker, we have heard much about our forces in Europe. Much of this may apply to a reduction in size rather than a withdrawal of our forces. Like many others in this house, I have been attempting to put the many pieces of this jigsaw puzzle together but no matter how I place the pieces I cannot develop a clear picture of any definite policy. It may be that I have been too skilful in putting the pieces together. Many of our partners in the alliance have already expressed their concern. The West German Foreign Minister, Willy Brant, expressed his anxiety at home and when he was in Canada. Britain's defence minister, Denis Healey, warned that unilateralism is very infectious. This was one of the two major subjects discussed by the NATO members when they met in Washington for the 20th anniversary of the alliance. It is no exaggeration to say that the government's unilateral decision regarding NATO did not add to the general stability of the alliance.

• (9:30 p.m.)

On April 14 the Prime Minister (Mr. Trudeau) answered a question in the house from one of the hon. members opposite by stating, "We never talked about a planned withdrawal; we talked about a planned reduction". This answer would seem to indicate that we are planning only a reduction of our forces in Europe, and not a withdrawal.

I do not intend to review the many statements made in this regard. Reductions have been made in our NATO forces on four previous occasions. We did this after discussion and consultation with our partners in NATO. This time we made the decision without the usual consultation, and this has caused much consternation among NATO members. The government's announcement in this regard, although indefinite, would lead one to assume that the government has something more in mind than a slight reduction of our forces in Europe.

It seems rather unfortunate that such a decision had to be made at this time. The European balance of security has been altered by the presence of Soviet troops in Czechoslovakia. This new deployment of Warsaw pact troops puts West Germany, Austria and even Yugoslavia in a much more vulnerable position. Previously, the armed forces of Czechoslovakia, even though a member of the Warsaw pact, were not such a serious threat. I do not agree with the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) that the invasion of Czechoslovakia is a sign of Russian weakness. The Soviet Union has also posed a new strategic threat by its naval build-up in the Mediterranean and in the North Atlantic.

I do not imagine that our military contribution to NATO causes the Warsaw pact nations any undue alarm. Only two countries, Iceland and Luxembourg, contribute less per capita to NATO. Our leaving NATO would not make any decisive difference militarily. It is quite a different matter politically. The Soviet Union is continually looking for some break-up or erosion of the NATO alliance. So, politically, any reduction or withdrawal at this time does suggest a weakening of the alliance and any such political disadvantage is a matter of importance.

The hon. member for Nanaimo-Cowichan-The Islands asserted yesterday that NATO had turned a cold shoulder to the proposal for

a conference made by the Warsaw pact countries at their meeting in Budapest last month. For years, the alliance has been attempting to achieve a parallel and balanced force reduction on both sides. The Budapest communique has not been rejected, and all avenues are kept open. It is being studied in Washington. The alliance is approaching the communique with great concern. This concern is obvious, since there are conditions which NATO must accept if the proposed European security conference is to be successful, such as the acceptance of the present division of Germany, the present boundaries in Europe, and only European countries are to participate.

Since 1945, we have been involved in serious discussions on disarmament. At that time Canada felt so concerned that the government sent General McNaughton to New York to lead our delegation in these discussions. Since 1956, we have been participating in the 18-nation disarmament conference in Geneva. Despite the fact that some agreement has been reached on the peaceful uses of outer space and non-proliferation, the basic fact remains that Russia and its Warsaw pact allies have not made one move on the question of basic disarmament of their forces.

Some hon. Members: Hear, hear.

Mr. Stafford: We have sent two of our most prominent advocates of disarmament, General Burns and Ambassador Ignatieff, to lead the Canadian delegation at Geneva. The Russians have shown us that they are less than enthusiastic in agreeing to any bilateral reduction in armaments. In fact, they have gone in the opposite direction. The Warsaw pact has never been stronger. With the invasion of Czechoslovakia, NATO is now facing a hard core of front-line fighting Russian troops. At a time when NATO nations should be showing a solidarity of resolve and determination, we are the termites that are chewing away the very foundations of NATO. We are the ones who are demonstrating to the Warsaw pact nations that we no longer support in an effective manner the collective security and principles upon which NATO was founded 20 years ago.

Our present policy regarding NATO weakens the alliance and suggests to the communists that if they just wait, perhaps NATO will disintegrate by itself without their having to make any concessions in their forces for a reduction in NATO forces. The communist doctrine for the triumph of communism throughout the entire world has never changed. The Communists combine that fixed goal with any amount of tactical flexibility so they can change their line by adopting a hard line one moment and a soft one the next, but none of these zigs and zags indicate any change.

Surely, the hon. member for Nanaimo-Cowichan-The Islands is not suggesting that we practice unilateral disarmament. In the 1930's the countries of the free world were the only ones to disarm, and the results were disastrous. Surely, the hon. member is not suggesting that NATO members are not willing to discuss bilateral disarmament and carry it out if possible. The whole history of the United States, for example, is in itself evidence that the United States would be only too happy to disarm if it could be done in safety. The hon. member seems so concerned that we differ with the United States that he does not even take the time to consider that the United States could be right.

Every member of this house would like to see us spend our money on feeding the hungry nations of the world, curing disease and developing the have-not nations instead of spending so much on defence. This is so obvious that it defies repetition. The advocates of such a policy, in venting their emotional theories, never reveal the secret of how it can be done in safety if only one side is willing to disarm.

Both Canada and the United States are members of the Atlantic community of nations, and NATO is as important to the preservation of freedom on this continent as it is in Europe. President Nixon, in his address to the NATO ministers council in Washington, when speaking of NATO said:

> We celebrate a momentous anniversary. We celebrate one of the great successes of the post-war world.

NATO members present at this momentous anniversary were very concerned over Canada's future in NATO. The U.S. State Department handled the situation very diplomatically. Instead of criticizing Canada for talking of pulling back, they praised Canada for deciding to stay in the alliance at all. They were looking at the positive side. The United States was very diplomatic because they realize the surest way to justify Canadian policy in the eyes of Canadian nationalists is for the United States to oppose it.

The United States has practised this attitude of restraint on many other occasions. The United States swallowed its anger when

the North Koreans shot down an American EC-121 with 31 service personnel aboard. Washington sat silently while Moscow imposed its discipline on Czechoslovakia. Washington has looked the other way on many occasions and has aimed at negotiation instead of confrontation. Restraint is necessary if détente or arrangement with the Soviet Union is ever to be achieved. This same attitude of restraint is shown by all NATO members. They want us to continue in NATO, but it would be strictly counterproductive for them to denounce Canadian policy.

Our reasons for a planned and phased withdrawal are difficult to understand. The Prime Minister said on April 3:

> We want to play a role, which in the first instance will be essentially defensive of our sovereignty of North America.

I can think of no better way of defending our sovereignty than staying in NATO.

Some hon. Members: Hear, hear.

Mr. Stafford: It is the purpose of NATO to prevent war in an area where there is the greatest concentration of power in the world today. That area is in Europe, where any conflict which will affect our sovereignty is most likely to occur. One thing is certain, that if any threat from the Soviet Union is involved we would certainly protect our sovereignty by very close collaboration with the United States and other western countries.

We have been actively discussing disarmament for many years. We cannot consider any unilateral disarmament. We have learned from past experience that most of the talk on disarmament with the Warsaw pact nations goes on an on for propaganda purposes. Even the Warsaw pact nations are obviously not going to break off negotiations on disarmament, as this would put them at a propaganda disadvantage.

I trust our policies on NATO have not been made to create a new independence, a new isolation or a new identity. This country was not built on isolationism. Canada's best friends are in NATO. In that group are those nations whose investment capital and technological capacity helped this country achieve the second highest standard of living in the world. Our partners in NATO have shown their concern. They know the political advantage of NATO as a great collective force against those forces in the world with which we do not agree. They want us to stay in, not with a mobile force which we can fly to Europe in an emergency but to be present in Europe as part of that great collective effort of NATO nations, the importance of which is out of all proportion to the cost as a deterrent to aggression.

We are often so critical of others in this search for peace and the preservation of freedom. If we have anything to offer, it can best be done as a contribution to the collective effort of NATO nations who, as history shows, have a strong desire for peace. If we want an effective voice in Washington and Europe, we will have to share the military burden. In this way we can put our efforts to work in an attempt to influence the attitudes of the NATO nations along the best road to peace.

President Nixon said at the 20th anniversary of NATO in Washington:

• (9:40 p.m.)

> The United States fully intends to undertake deep and genuine consultation with its allies both before and during any negotiations directly affecting their interests. That is a pledge I shall honour.

I do not think anyone in this chamber would deny that the Warsaw pact nations are far more liable to negotiate through strength than through weakness. The Leader of the New Democratic party who spoke yesterday said he feels that an outstretched hand will do more for the cause of peace than a clenched fist. It will, if the other side genuinely wants peace, but I am not aware of any positive indication in this direction.

Perhaps the hon. member might stretch his hand through the barbed wire entanglements of the Berlin wall and test the response to his theory. If it works we will be forever grateful. If it fails and he returns to this house minus his right arm, we will give him our sympathy.

Some hon. Members: Hear, hear.

Mr. Baldwin: No wonder you were separated from Steve Otto.

Mr. R. E. McKinley (Huron): Would the hon. member permit a question? I wonder if the hon. member would be prepared at this time to say he believes that the Prime Minister of Canada (Mr. Trudeau) wants to get out of NATO as quickly as he can, and would the hon. member agree with the rest of us that we should stay in it?

Mr. Stafford: I have already said there have been so many statements made that I, for one, have been unable to put the jigsaw puzzle together to find out what it is all about. What I am concerned about, however,

is the fact that at the Washington conference everyone was aroused. Whatever we have done, we have caused concern among the NATO allies that we have never caused before.

Some hon. Members: Hear, hear.

The Acting Speaker (Mr. Béchard): Order, please. It being 9.45 p.m. it is my duty, pursuant to a special order made on Wednesday, April 16, 1969, to interrupt these proceedings and put forthwith the question. Is the house ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Béchard): All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Béchard): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Béchard): Call in the members.

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

• (9:50 p.m.)

Division

YEAS

Messrs:

Brewin
Burton
Douglas (Nanaimo-Cowichan-The Islands)
Gilbert
Gleave
Harding
Knowles (Winnipeg North Centre)
Lewis
Mather
Orlikow
Saltsman
Schreyer
Skoberg
Thomson
Winch—15.

NAYS

Messrs:

Alexander
Alkenbrack
Allmand
Anderson
Andras
Asselin
Badanai
Baldwin
Barrett
Basford
Béchard
Beer
Bell
Benson
Bigg
Blair
Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cantin
Carter
Chappell
Clermont
Coates
Cobbe
Code
Comtois
Corbin
Côté (Richelieu)
Côté (Longueuil)
Cullen
Danforth
Danson
Davis
Deachman
Deakon
De Bané
Dinsdale
Dionne
Dubé
Duquet
Émard
Fairweather
Forest
Forget
Forrestall
Foster
Francis
Gendron
Gillespie
Godin
Goyer
Gray
Grills
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Gundlock
Haidasz
Hales
Harkness
Hees
Honey
Hopkins
Howard (Okanagan Boundary)
Howe
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Knowles (Norfolk-Haldimand)
Korchinski
Laflamme
Lambert (Edmonton West)
Lang
Langlois
Laniel
La Salle
Latulippe
Leblanc (Laurier)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Loiselle
Macdonald (Rosedale)
MacEachen
MacEwan
MacGuigan
MacInnis
Mackasey
Macquarrie
McCleave
McCutcheon
McGrath
McIlraith
McKinley
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Marshall
Mazankowski
Monteith
Morison
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Murphy
Nesbitt
Noël
O'Connell
Olson
Orange
Osler
Ouellet
Paproski
Peddle
Pelletier
Penner
Pilon
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Rochon
Rock
Rodrigue
Roy (Laval)
Rynard
Schumacher
Scott
Serré
Sharp
Simpson
Smith (Saint-Jean)
Southam
Stafford
Stanbury
Stanfield
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
Sullivan
Thomas (Maisonneuve)
Thomas (Moncton)
Thompson
Tolmie
Trudeau
Trudel
Turner (Ottawa-Carleton)
Wahn
Walker
Watson
Weatherhead
Whiting
Woolliams
Yanakis—165.

Division

Mr. Speaker: I declare the amendment to the amendment lost. The question is now on the amendment to the main motion. All those in favour of the said motion will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

• (10:10 p.m.)

Mr. Speaker: Is it the wish of the house that we proceed with the vote without the ringing of the bells?

Some hon. Members: Agreed.

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

YEAS

Messrs:

Alexander
Alkenbrack
Asselin
Baldwin
Bell
Bigg
Carter
Coates
Code
Danforth
Dinsdale
Fairweather
Forrestall
Grills
Gundlock
Hales
Harkness
Hees
Howe
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
La Salle
MacEwan
MacInnis
Macquarrie
McCleave
McCutcheon
McGrath
McKinley
Marshall
Mazankowski
Monteith
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Nesbitt
Paproski
Peddle
Rynard
Schumacher
Scott
Simpson
Southam
Stanfield
Thomas (Moncton)
Thompson
Woolliams—47.

NAYS

Messrs:

Allmand
Anderson
Andras
Badanai
Barrett
Basford
Béchard
Beer
Benson
Blair
Breau
Brewin
Broadbent
Brown
Buchanan
Burton
Caccia
Cadieux (Labelle)
Cantin
Chappell
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Côté (Longueuil)
Cullen
Danson
Davis
Deachman
Deakon
De Bané
Dionne
Douglas (Nanaimo-Cowichan-The Islands)
Dubé
Duquet
Émard
Forest
Forget
Foster
Francis
Gendron
Gilbert
Gillespie
Gleave
Godin
Goyer
Gray
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harding
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Knowles (Winnipeg North Centre)
Laflamme
Lang
Langlois
Laniel
Latulippe
Leblanc (Laurier)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lewis
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Mackasey
McIlraith
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Mather
Morison
Munro
Murphy
Noël
Nystrom
O'Connell
Olson
Orange
Orlikow
Osler
Ouellet
Pelletier
Penner
Pilon
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Rochon
Rock
Rodrigue
Roy (Laval)
Saltsman
Schreyer
Serré
Sharp
Skoberg
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
Sullivan
Thomas (Maisonneuve)
Thomson
Tolmie
Trudeau
Trudel
Turner (Ottawa-Carleton)
Wahn
Walker
Watson
Weatherhead
Whiting
Winch
Yanakis—137.

[The Acting Speaker (Mr. Béchard).]

Mr. Speaker: I declare the amendment lost.

The question is on the main motion. Is it the pleasure of the house to adopt the said motion? All those in favour please say yea.

Some hon. Members: Yea.

Mr. Speaker: All those opposed?

Some hon. Members: Nay.

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

Is it the wish of hon. members that we proceed with the vote without the ringing of the bells?

Some hon. Members: Agreed.

The house divided on the main motion (Mr. Trudeau) which was agreed to on the following division:

Division

YEAS

Messrs:

Allmand
Anderson
Andras
Badanai
Barrett
Basford
Béchard
Beer
Benson
Blair
Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cantin
Chappell
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Côté (Longueuil)
Cullen
Danson
Davis
Deachman
Deakon
De Bané
Dubé
Duquet
Émard
Forest
Forget
Foster
Francis
Gendron
Gillespie
Goyer
Gray
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Laflamme
Lang
Langlois
Laniel
Latulippe
Leblanc (Laurier)
Lefebvre
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
Mackasey
McIlraith
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Morison
Munro
Murphy
Noël
O'Connell
Olson
Orange
Osler
Ouellet
Pelletier
Penner
Pilon
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Rochon
Rock
Roy (Laval)
Serré
Sharp
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Trudel
Turner (Ottawa-Carleton)
Wahn
Walker
Watson
Weatherhead
Whiting
Yanakis—116.

NAYS

Messrs:

Alexander
Alkenbrack
Asselin
Baldwin
Bell
Bigg
Brewin
Broadbent
Burton
Carter
Coates
Code
Danforth
Dinsdale
Dionne
Douglas (Nanaimo-Cowichan-The Islands)
Fairweather
Forrestall
Gilbert
Gleave
Godin
Grills
Gundlock
Hales
Harding
Harkness
Hees
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
Lewis
MacEwan
MacInnis
MacInnis (Mrs.)
Macquarrie
McCleave
McCutcheon
McGrath
McKinley
Marshall
Mather
Mazankowski
Monteith
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Nesbitt
Nystrom
Orlikow
Paproski
Peddle
Rodrigue
Rynard
Saltsman
Schreyer
Schumacher
Scott
Simpson
Skoberg
Southam
Stanfield
Thomas (Moncton)
Thompson
Thomson
Winch
Woolliams—67.

• (10:20 p.m.)

Mr. Speaker: I declare the motion carried. This house stands adjourned until eleven o'clock tomorrow morning.

At 10.28 p.m. the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Friday, April 25, 1969

The house met at 11 a.m.

ROUTINE PROCEEDINGS

[*Translation*]

TRANSPORT AND COMMUNICATIONS

Sixth report of Standing Committee on Transport and Communications, in French and in English—Mr. H.-Pit Lessard (LaSalle).

[*Editor's Note: The text of the foregoing report appears in today's Votes and Proceedings.*]

[*English*]

FISHERIES

SALT COD—ANNOUNCEMENT OF DEFICIENCY PAYMENT PROGRAM

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, I should like to announce, in broad outline, the nature of the deficiency payment program which the government is establishing for salt cod fishermen in 1969. The object of this plan is to ensure that our salt cod fishermen will receive a price for their product which is comparable to that which they received in 1966 and 1967.

As hon. members are aware, devaluation of a number of foreign currencies together with an oversupply of salt fish in world markets resulted in a sharp price decline in 1968. The return to the average Canadian fishermen was down about 25 per cent as compared to 1967. Incomes, particularly in Newfoundland, were also depressed. These developments, together with increased costs of equipment, fuel and other supplies have resulted in severe hardship in many Atlantic communities.

While export prices in 1969 may increase, this is by no means certain. The government has therefore decided to make deficiency payments to salt cod fishermen this fall. These supplementary payments will bring the total price they receive up to a level which is more in line with the price which they received for their fish in 1967. These deficiency payments will be made directly to the fishermen after the fishing season is over and after the salted cod has been sold to the exporters. Payments will be made only on certain grades. Those of a high or medium quality will qualify for assistance. Ungraded fish and fish falling into the lowest grades will not. This selective approach is being followed in order to encourage the production of better quality fish. Inquiries in our traditional export markets also confirm the view that success in our salt cod industry lies in the direction of quality improvement. Our long-term plan therefore is to assist our fishermen to produce a better product.

In consultation with fishermen's representatives and the fish trade, my department has prepared a list of "target" prices for these select grades of salted cod. The prices may not be achieved in 1969. For this reason the government is prepared to supplement the prices which the fishermen actually negotiate with the buyers and exporters to an extent that will bring them reasonably close to the "target" price levels which we believe will be achieved in the early 1970's. More specifically, the government will pay directly to individual fishermen an amount in dollars equal to half the difference between our published "target" prices and the amounts actually received by the fishermen from the fish buyers. If, for example, the "target" price for a quintal of prime light salted fish is $28 and the buyer negotiates a price to the fishermen of $20, then the government will pay the fishermen an additional $4 in the fall. The end price will vary, of course, depending on size, quality and grade. But the 50 per cent support formula will be the same in all cases.

I wish to stress the fact, Mr. Speaker, that this deficiency payment program is intended to compensate the salt cod fishermen for the decline in prices which has taken place since 1967. Other measures, such as the establishment of a Salt Fish Development Corporation which will assist in the reorganization of the industry in 1970 and subsequent years will be announced shortly. An advisory committee, representing fishermen and the salt codfish trade, is being appointed to assist me in the administration of this new program and to assess its impact on the incomes of fishermen

in Newfoundland, Quebec and the maritime provinces.

Thank you, Mr. Speaker.

Mr. James A. McGrath (St. John's East): Mr. Speaker, when the government announced the end of the salt rebate program last year it was supposed to be the end of the interim programs to deal with various crises facing the fishing industry. In the words of the Minister of Supply and Services (Mr. Jamieson) it was to be the end of the band aid philosophy. Yet here we have another interim program, another band aid. The problems facing the salt cod industry are unique, complex and stem from two factors. They are, a lack of quality control in production and the necessity for control of marketing. There is no question but that this is hurting us in our principal market in the West Indies. In my view this situation can only be coped with adequately by the establishment of a marketing board. The minister in his statement of February 20 said there was an examination into "the possible advantages of a salt cod marketing board", yet instead of an announcement in respect of this marketing board, today we have another band aid interim program. I agree that this program was necessary to correct the very serious situation that existed in 1968, when the prices were so low that the very survival of the industry was threatened, not to mention the very important aspects in relation to the hardships imposed on the fishermen, because it is the fishermen who suffer.

• (11:10 a.m.)

In this regard, in the preparation of what we hope will be the government's policy on this matter, it is necessary that steps be taken to eliminate the archaic barter system whereby a fisherman is outfitted by the merchant and repays the merchant at the end of the season from the returns from his catch. This imposes very severe hardships on the fisherman, and I hope the government will take steps to alleviate this archaic barter system, which amounts to a yoke on the fisherman, who is the producer. He has to bring in the fish and he depends on his catch for his livelihood.

In my view we should be taking greater advantage of our position to produce a top quality product, in view of the fact the fish is practically cured on the day it is caught. This gives a great advantage to Canada. Consideration should also be given to the packaging of the product for retail merchandising, thereby eliminating some of the middlemen.

Most important, Mr. Speaker, we must end the cut-throat competition that is doing so much to hurt us in respect of our principal markets. In the final analysis of course this is hurting the fishermen as well. In my view this can only be accomplished by the establishment of a marketing board. I also believe, and I think the minister shares my view, that this marketing board can be set up adequately under the Fisheries Prices Support Board by taking advantage of provincial agencies.

This important industry is today in a state of suspended animation, yet we are stuck with another interim program and faced with the prospect of having to go through the same thing next year. I have just about concluded; but on a final note I should like to state that I am very pleased to note that the government will be paying deficiency payments under this program on the basis of a target price system, thereby insuring that the minimum does not become the maximum and that the fishermen will benefit from the advantages of improved marketing conditions.

CANADA PENSION PLAN

AMENDMENT PERMITTING MENNONITES TO MAKE PAYMENTS TO ALTERNATE FUND

Mr. Max Saltsman (Waterloo) moved for leave to introduce Bill No. C-190, to amend the Canada Pension Plan.

Some hon. Members: Explain.

Mr. Saltsman: Mr. Speaker, in the years to come, the value of government programs like the Canada Pension Plan will receive increasing support and recognition.

Although the effectiveness of such programs depends upon universal coverage and contribution, care must be taken that adequate opportunity is given to groups who, for reasons of religious beliefs cannot accept the benefits and whose non-participation in the program would not jeopardize its success, if they were to exclude themselves therefrom.

The Old Order Mennonites of Waterloo County is such a group and this bill seeks to recognize their right on religious grounds to make payments into an alternate fund equal to the amount of their Canada Pension Plan premium.

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

ORAL QUESTION PERIOD

INCOME TAX

COLLECTION OF SOCIAL DEVELOPMENT TAX BEFORE APPROVAL

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Finance whether, in view of the expressed determination of the President of the United States to reduce the burden of taxation on the lower income groups in his country, the minister is reconsidering his unfortunate proposal to increase the burden on the same groups in this country; and in particular, is this perhaps the reason for the delay in his bringing forward the legislation to implement the so-called social development tax?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I believe the Leader of the Opposition is talking about the tax reform proposals in the United States being put forward by the President. As the house knows, our tax reform proposals will be presented in the form of a white paper, hopefully by the end of June. With respect to the tax measures contained in the budget, I am hoping to introduce the bill on Tuesday next.

THE CANADIAN ECONOMY

EFFECT OF CONSTITUTIONAL PROBLEMS ON COST OF LIVING

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary question, Mr. Speaker. In view of the fact that yesterday the Minister of Finance indirectly received honourable mention in the resignation statement of his colleague, the Minister of Transport, when he referred to the delay in dealing with inflation, is it the position of the government of Canada that constitutional problems are responsible for the continuing increase in the cost of living in this country?

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

HOUSING

REMOVAL OF TAX ON BUILDING MATERIALS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Finance. Is the minister now giving consideration to removing the 11 per cent sales tax on building materials?

Hon. E. J. Benson (Minister of Finance): Not at the present time, Mr. Speaker.

Inquiries of the Ministry

INDIAN AFFAIRS

CONSULTATIVE CONFERENCE—DISCUSSIONS AS TO CLAIMS COMMISSION, WESTERN REPRESENTATION AND LEGALITY OF TREATIES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Indian Affairs and Northern Development. In view of the fact that the Indian consultative conference is to begin Monday next, and to be continued until May 5, is it the intention of the minister to divulge to that conference the terms that will be included in any legislation dealing with the establishment of an Indian claims commission, in order that the native Indians who are attending the conference may have an opportunity of discussing this matter?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have no intention of limiting the discussion on any subject with the Indians next week. They themselves took the initiative of preparing the agenda, and if they wish to put before me their opinions about the Indian Claims Commisson, I will readily listen to them. But I do not intend to disclose the government's policy in that field, as all its aspects will be known in the weeks following the last conference with the Indians.

[*English*]

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. Since the minister is not going to divulge to the Indian consultative conference the terms and conditions of any bill to establish an Indian claims commission, when is it the ministers' intention to give that information to the House of Commons, and when does he propose to introduce the legislation? Will it be this session?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I propose to inform the house before the adjournment in June on all aspects of our Indian policy, including the government's attitude regarding the Indian Claims Commission.

[*English*]

Hon. W. G. Dinsdale (Brandon-Souris): A supplementary question, Mr. Speaker. Has the minister heard from representatives of the western delegates attending the conference to the effect that they will not be joining

in discussions with the representatives of the Department of Indian Affairs; and if so, how will this affect the terms of reference of the conference? I believe the point they raise is precisely the point raised by the leader of the New Democratic party.

[*Translation*]

Mr. Chrétien: Mr. Speaker, I spoke with the President of the Canadian Indian Federation, Mr. Deiter, and we agreed that the Federation would prepare the agenda of the conference. The Minister without Portfolio in charge of Indian Affairs and Northern Development, and myself, will be present when the Indians express the desire to meet us, and the same thing goes for the officials of my department.

[*English*]

Mr. Robert Simpson (Churchill): I have a supplementary question, Mr. Speaker. Would the minister be prepared to discuss fully with the Indian people at the meetings next week the legality of the treaties as they presently exist?

[*Translation*]

Mr. Chrétien: Of course, Mr. Speaker, it is our intention to discuss all matters that may be of interest to the Indians and I am sure this point will be raised.

[*English*]

PLEA FOR SIMPLICITY IN LANGUAGE OF AMENDING MEASURE

Mr. G. W. Baldwin (Peace River): I have a supplementary question, Mr. Speaker. In view of the fact that I detected a faint touch of ambiguity in the minister's reply to the hon. member for Nanaimo-Cowichan-The Islands, and since he told us the other day that the new Indian Act would be couched in clear and simple terms which everybody, including members of parliament, would understand, is the minister prepared to say specifically now that members of parliament will have a chance to judge for themselves before the end of the session just how clear and simple the language of the act is. In other words, will he introduce the Indian Act—not legislation on the Indian claims commission—or amendments to the act before the end of the session?

An hon. Member: He said so.

[Mr. Dinsdale.]

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, the house will certainly have an opportunity to realize that our Indian Affairs policy is quite clear and that the Indian Act will be particularly clear, if there is one.

[*English*]

Mr. Baldwin: I have a further supplementary question, Mr. Speaker. I did not ask the minister whether or not the act was clear. What I asked was whether the new Indian Act or amendments to it will be introduced to the house before the end of the session.

Mr. Woolliams: That is simple enough.

[*Translation*]

Mr. Chrétien: Mr. Speaker, I said that I would advise the house, before the month of June, of the government policy with respect to Indian Affairs.

[*English*]

Mr. Baldwin: Answer the question.

HOUSING

PRESENCE OF RESPONSIBLE MINISTER DURING DEBATE

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. Can the Prime Minister advise the house whether the minister responsible for housing will be in the house today at two o'clock when the debate dealing with this important matter begins?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Richardson, who is the Acting Minister of Housing, is in the house this morning.

Mr. Hees: I have a supplementary question, Mr. Speaker. It is known that the minister who is still responsible for housing is in Ottawa and in the parliament buildings today. Can the Prime Minister give us any good reason why the minister is not in the house today when such an important matter is coming up for discussion?

Mr. Speaker: Order, please. Since this is a purely argumentative question, it is not acceptable.

Mr. Hees: I rise on a point of order, Mr. Speaker. When a matter of such importance comes up for discussion in the house and the minister responsible is in Ottawa but is not

present in the house, I think it is a matter of great importance.

Mr. Speaker: Many matters of great importance do not qualify for questions under the rules.

Mr. Donald MacInnis (Cape Breton-East Richmond): I have a supplementary question, Mr. Speaker. Assuming that the rules have been changed, I would ask Mr. Richardson if he is not—

Mr. Speaker: Order, please. The rules have not been changed. The hon. member must realize that the Prime Minister referred to the Minister without Portfolio by name in order to identify him. We all know that this is not regular, but when there is more than one Minister without Portfolio sometimes this practice is resorted to.

Mr. Woolliams: They are hard to find.

Mr. Speaker: Perhaps the hon. member for Calgary North would like to make a ruling for the Chair.

Some hon. Members: Hear, hear.

Mr. Speaker: The rule has not been changed.

Mr. MacInnis: I wish to ask the Minister without Portfolio from Winnipeg South whether he submitted his resignation to the Prime Minister.

Mr. Speaker: Order, please.

THE CANADIAN ECONOMY

INQUIRY AS TO STEPS TO REDUCE POVERTY

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I should like to direct my question to the Prime Minister. In view of the warning given yesterday by the vice chairman of the Economic Council of Canada that failure to deal with poverty in a purposeful way may well result in violence in Canadian cities, will the government give this matter the priority that it so urgently demands? Many people would like an answer to that question.

Right Hon. P. E. Trudeau (Prime Minister): The answer is yes, Mr. Speaker.

Mr. Ed Schreyer (Selkirk): My supplementary question arises from the fact that since the war on poverty was declared five years ago, the only sound of that has been the crackle of the press release from the Liberal backbenchers, I should like to ask the Prime Minister—

Mr. Speaker: Order, please. The hon. member cannot make a speech; he has to ask a question.

Mr. Schreyer: I should like to ask the Prime Minister or anyone representing the Minister of Regional and Economic Expansion if he can assure the house, in the light of mounting concern about this problem, that before the end of this session the government will submit to parliament concrete measures relative to poverty in Canada.

Mr. Trudeau: The minister has already announced his intention to introduce for first reading a bill concerned with this aspect of regional economic development.

Mr. David Lewis (York South): I address this question to the Prime Minister, Mr. Speaker. In view of the fact that the findings in all the analyses of poverty in Canada, including that made by the Economic Council, show that poverty is by no means limited to the disadvantaged regions of Canada but that it also exists in the large urban areas—

Mr. Speaker: Order. The hon. member should ask the question.

Mr. Lewis: I was just coming to that, Mr. Speaker. Would the Prime Minister tell us what organization has been set up inside or outside the cabinet to deal with the question of poverty, not only in the disadvantaged areas but elsewhere in the country?

Mr. Trudeau: I answered this question two days ago, Mr. Speaker.

RESEARCH

ACTION ON MACDONALD REPORT ON SCIENTIFIC RESEARCH

Hon. D. S. Harkness (Calgary Centre): This question is directed to the Prime Minister. What procedure does the government intend to follow to deal with the wide-ranging recommendations of the Macdonald Report on scientific research?

Right Hon. P. E. Trudeau (Prime Minister): The President of the Treasury Board will deal with this question when he is in the house.

Inquiries of the Ministry

OIL

REQUEST FOR REPORT ON CANADA-U.S. CONTINENTAL POLICY

Mr. Eldon M. Woolliams (Calgary North): I should like to direct a question to the Prime Minister or to the Acting Minister for Energy, Mines and Resources. Has the task force finished its report as far as the petroleum industry is concerned and, if so, is the government prepared to make a report to the house with reference to the consultations between Canada and the United States?

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): I am not quite sure which report the hon. member has in mind. It seems to me he is dealing with two different things. The task force concerned with northern development, in particular, has made an interim report, and this is being considered. With regard to the other matter referred to, continual reports are being received but no specific report has been made.

Mr. Woolliams: Perhaps I was a little ambiguous, Mr. Speaker. I was wondering whether the group concerned with the subject has returned from Washington, and made any deal affecting Canada and the United States as far as petroleum is concerned in connection with a new continental oil policy.

Mr. Lang: The discussions in Washington dealt with some narrow and specific matters as well as with some general issues of great importance. Talks with regard to all these aspects are continuing. There are no conclusions to report to the house at this time.

Mr. Rod Thomson (Battleford-Kindersley): I wonder whether the federal government and the task force in their studies of the marketing of northern oil have consulted the Alberta government, and the possible conflict of interest in connection with oil sales there.

HOUSING

VANCOUVER—STATUS OF PROJECTS PENDING GOVERNMENT POLICY ANNOUNCEMENT

Mr. Harold E. Winch (Vancouver East): May I be privileged to direct a question to the acting minister responsible for housing? Can we be advised whether any or all of the proposed public housing projects in Vancouver are presently being processed, or whether all such projects are stalled pending the announcement of new government policies on low rent housing?

[Mr. Trudeau.]

Hon. James Richardson (Acting Minister of Housing): Mr. Speaker, all public housing projects are not being stalled.

Mr. Winch: I asked the minister specifically with regard to the situation in Vancouver—projects which have been in process for many months. Have they been stalled? May I have an answer with regard to Vancouver, please?

Mr. Richardson: The Minister of Transport was in Vancouver—

An hon. Member: Who is the minister in charge of housing?

Mr. Richardson: The resignation of the Minister of Transport is effective the 30th of this month. He has visited Vancouver with particular concern for the public housing development in that city. He has made no final recommendation concerning it since his return only a few days ago.

TIMING OF PUBLICATION OF GUIDELINES

Mr. Robert McCleave (Halifax-East Hants): My supplementary question concerns the promise made by the Minister of Transport that the guidelines for public housing would be out not later than today. Can we be told when these guidelines will be made available?

Hon. James Richardson (Acting Minister of Housing): As soon as possible, Mr. Speaker, but I cannot give an exact date.

INQUIRY AS TO GOVERNMENT INVOLVEMENT IN URBAN RENEWAL

Mr. Lincoln M. Alexander (Hamilton West): Thank you, Mr. Speaker, I was going to ask about the guideline, but my colleague from Halifax-East Hants asked that question. And now we get into the area of urban housing about which we had a lot of dialogue from the former Minister of Transport. Can the acting minister advise this house when and if this government intends to make a statement as to whether it intends to be involved with urban renewal? If so, to what extent?

Hon. James Richardson (Acting Minister of Housing): Mr. Speaker, the recommendations of the task force on housing have been stated many times. Many of those recommendations were brought forward by the Minister of Transport and presented to the cabinet and studied by cabinet committees. Many have been approved and legislation is in an advanced stage of drafting. This legislation will be brought forward in the very near future and will answer all questions of that kind.

Mr. Alexander: I have a supplementary question, Mr. Speaker.

Mr. Speaker: Order. I wonder whether the hon. member does not feel we are anticipating to some extent the very important debate which will take place later today? Perhaps we should not have too many supplementary questions on this subject.

Mr. Alexander: On a point of order, Mr. Speaker. I think with all due respect to Your Honour that this is a very important question. I know I am perhaps treading on ground that will be discussed a little later on. If Your Honour would allow me one further question: Would the minister advise this house now whether in fact all trips that were required have now been taken? Is the acting minister in a position to give the guidelines and commitments with respect to urban renewal? Trips have been made to Vancouver and Calgary. Are there any further trips contemplated? We cannot talk about Hamilton all the time. We also have to talk about the rest of the country.

Mr. Max Saltsman (Waterloo): Mr. Speaker, my supplementary question is directed to the Prime Minister. It has to do with urban renewal. A few weeks ago the Minister of Transport was in Kitchener and while there indicated that he would announce in the house the new guidelines for urban renewal. In view of the uncertainty that may prevail because of the resignation of the Minister of Transport, will the Prime Minister assure the house that a new minister will be appointed very quickly and that those guidelines will be introduced in this house as soon as possible.

Mr. Speaker: Order, please. Again it seems this is an admirable subject for a speech the hon. member might want to make this afternoon or evening.

OFFICIAL LANGUAGES

POSSIBLE CHANGES IN MEASURE FOLLOWING DISCUSSIONS

Mr. Robert Muir (Cape Breton-The Sydneys): My question is directed to the Prime Minister, Mr. Speaker. Can the right hon. gentleman state whether any discussions were held with provincial officials during the Easter adjournment or since on the question of language recognition from coast to coast? Also are any changes contemplated in the bill as a result of any such discussions?

Right Hon. P. E. Trudeau (Prime Minister): Some meetings have been held, Mr. Speaker. I cannot vouch as to the date, but they were held by the Minister of Justice with some provincial officials and premiers. The minister would have to be asked as to the dates of these meetings, Mr. Speaker.

Mr. Muir (Cape Breton-The Sydneys): A supplementary question. Have any discussions been held with authorities of the province of Quebec with regard to language legislation in that province involving possible conflict with the proposed federal language bill?

Mr. Trudeau: Yes. The Minister of Justice has also been meeting with the Premier of Quebec and some of his ministers on this very subject.

Mr. H. Russell MacEwan (Central Nova): A supplementary to the Prime Minister. I ask the Prime Minister if the Minister of Justice has as yet put any amendments to the language bill before the cabinet?

Mr. Trudeau: Surely the house would not want me to break my Privy Councillor's oath, Mr. Speaker.

CANADIAN NATIONAL RAILWAYS

SUGGESTION OF SABOTAGE IN DERAILMENT NEAR TORONTO

Mr. W. B. Nesbitt (Oxford): I wish to direct a question to the Acting Minister of Transport which is related to a question asked earlier this week by my colleague, the hon. member for Wellington-Grey. Has the minister taken any steps to make certain that further acts of sabotage resulting in death will not take place on the railroads? Has he given any instructions in this regard?

Hon. James Richardson (Acting Minister of Housing): Mr. Speaker, as has been reported to the house, the train derailment which was thought to be sabotage is being investigated not only by the railway, but by the police. Every step will be taken to see that there are no opportunities to repeat acts of this kind, but you cannot stop sabotage if someone is determined to be destructive. I do not know what steps can be taken, other than the ones which are being taken by the police force.

Mr. Nesbitt: I wish to ask the minister if additional special precautions have been taken since this incident? As we all know, sometimes these incidents evoke others.

Inquiries of the Ministry

TRANSPORT

FENCING OF RIGHTS-OF-WAY

Mr. John L. Skoberg (Moose Jaw): A supplementary to the Minister without Portfolio. Is the government considering amending Section 277 of the Railway Act to compel the railways to fence rights-of-way in densely populated areas?

Hon. James Richardson (Acting Minister of Housing): Mr. Speaker, this is a matter that has been given careful consideration, but there is no plan at the present time to change the act in that respect.

ADMINISTRATION OF JUSTICE

INQUIRY AS TO PERSONS INCARCERATED

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, my question is to the Solicitor General. When the minister said the other night that there were no more in jail in Canada in the last five years, did he mean because there were fewer crimes or because there were more criminals getting away?

Mr. Speaker: Order, please. I suggest to the hon. member the question should not be asked.

Mr. Bell: May I rephrase my question and ask the Prime Minister in this regard if he noticed in the paper at some time that the Solicitor General, after for 30 years threatening to retire, stated that he definitely would not be retiring? If so, what is the Prime Minister going to do about this?

AGRICULTURE

HOGS—ALLEGED DISSATISFACTION WITH QUALITY PREMIUMS

Mr. George Muir (Lisgar): Mr. Speaker, I have a question for the Minister of Agriculture. I have been wanting to ask the minister this question for a number of days, but because of the roster system I have not been able to do so. In view of the widespread dissatisfaction with the new quality premium being paid on hogs, was there any discussion between the federal government and the Canadian Swine Council before the recently announced alterations in policy on hog quality premiums were made?

Hon. H. A. Olson (Minister of Agriculture): I would like to advise the hon. member that I was in the house yesterday and he could have asked the question then. I would also like to advise him there was a great deal of discussion with the Canadian Swine Council and other people who were interested in the new grading system for hogs. Obviously the government has to assume the responsibility for the amount and level of subsidies paid on hogs or for any other purpose. While there was consultation with regard to changing the incentives paid through the marketplace respecting hogs, and this grading system, we have to accept the responsibility for the level paid out of the treasury.

Mr. Muir (Lisgar): A supplementary question, Mr. Speaker. I have a statement from the Canadian Swine Council which states they never had any discussions—

Mr. Speaker: Order, please. The hon. member should ask the question.

Mr. Muir (Lisgar): In view of the fact the Canadian Swine Council stated that no prior discussions took place, has there been any discussion with that body since the new policy was announced?

Mr. Olson: Yes, Mr. Speaker.

Hon. George Hees (Prince Edward-Hastings): I have a supplementary question. Is the minister not aware that the removal of this quality premium will greatly reduce the production of first quality hogs in Canada? This will also very adversely affect our export trade.

Mr. Speaker: Order, please.

FLOODS

TRAIL, B.C.—ACTION TO CONTROL EMERGENCY SITUATION

Mr. Randolph Harding (Kootenay West): Mr. Speaker, may I direct a question to the Prime Minister. In view of the major flood disaster at the City of Trail which resulted in several million dollars worth of damage to municipal and private property and in view of the establishment of the joint disaster fund to assist in rehabilitating the damaged area, will the Prime Minister indicate to the house what assistance the government will contribute to this joint disaster fund, and on what basis?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member for Okanagan Boundary asked a similar question yesterday.

The answer is that I received a telegram late last night from the mayor—no—from the Premier of British Columbia.

Some hon. Members: Oh, oh.

Mr. Trudeau: It is in connection with the floods at Trail. I am sending him an answer today.

THE CANADIAN ECONOMY

INQUIRY AS TO STEPS TO REDUCE POVERTY

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I rise on a question of privilege. Replying to a question asked this morning by the hon. member for York South, the Prime Minister said he had answered the question two days ago. The original question was whether the government was planning to introduce legislation to deal with aspects of poverty other than those associated with regional poverty. The Prime Minister, as reported at page 7857 of *Hansard*—

Mr. Speaker: Order please. There is no question of privilege. Perhaps the hon. member might be allowed to ask the question again.

Mr. Broadbent: Mr. Speaker, I will try to ask a specific question along the lines of the one the hon. member for York South raised. Does the government intend during the present session of parliament to introduce legislation dealing with urban poverty?

Right Hon. P. E. Trudeau (Prime Minister): Thus far, Mr. Speaker, our efforts have been largely consumed in resisting the reckless economic demands of the New Democratic party.

HOUSING

THOMPSON, MAN.—AVAILABILITY OF MORTGAGE MONEY

Mr. Robert Simpson (Churchill): Mr. Speaker, may I direct a question to the Minister without Portfolio from Winnipeg South in his capacity as minister in charge of housing. Prior to the Easter recess the former Minister of Transport assured me he intended to make C.M.H.C. mortgage money available for purposes of highrise apartment construction in Thompson, Manitoba. Will the minister look into this matter and tell us how it stands, in order that he may be able to report on it during the debate this afternoon?

Mr. Speaker: Order, please. The hon. member has made his submission to the minister which we must assume has been taken into account.

GRAIN

FUNDS FOR PLANTING OPERATIONS

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, may I direct a question to the Minister of Agriculture. Since the minister must now be aware that it is mechanically impossible, owing to the tremendous volume of work, for the Standing Committee on Agriculture to report to parliament for some weeks, is the government contemplating any immediate measures to provide western grain growers with emergency operating capital prior to their planting season?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I cannot agree that it will take several weeks or an undue length of time for the committee to make its recommendations or findings. Although I am not a member of the committee I have spoken to several members who have indicated that they intend to have a report ready very soon.

Mr. Danforth: A supplementary question, Mr. Speaker. Is the minister of the opinion that no action will be taken prior to the time this standing committee makes its report?

Mr. Speaker: Order, please. The hon. member is asking for an expression of opinion, which is contrary to the rules.

Mr. R. E. McKinley (Huron): A supplementary question, Mr. Speaker. When the committee makes its report will the minister take action on the recommendations of the committee, resulting from its tour of western Canada?

Mr. Olson: Mr. Speaker, we will be very interested in what the committee has to say as a result of its tour of western Canada.

TRADE

WHEAT—SUGGESTED EXPANSION OF SALES PROMOTION ACTIVITIES

Mr. Ed Schreyer (Selkirk): Mr. Speaker, may I address a supplementary question either to the Minister of Agriculture or to the Minister from Saskatoon-Humboldt. Since the chairman of the Canadian Wheat Board indicated to the members of our agricultural committee only a few days ago that it would be useful if the sales Promotion staff of the Canadian Wheat Board could be supplemented by trade department personnel, may I ask whether the government has given active consideration to that proposition?

Inquiries of the Ministry

Hon. Otto E. Lang (Acting Minister of Energy, Mines and Resources): Mr. Speaker, I have not seen the transcript of the proceedings referred to, but I understand that press reports of those proceedings are not completely accurate. The government of course is always considering the magnitude, strength and proper distribution of our trade force abroad; this matter is under constant review.

Mr. Schreyer: Mr. Speaker, on a question of privilege—

Mr. Speaker: Order, please. I point out to hon. members that we are short of time.

Mr. Schreyer: Mr. Speaker, I feel I have a valid point of privilege.

Mr. Speaker: Perhaps the hon. member might be allowed to ask a supplementary question.

Mr. Schreyer: Thank you, Mr. Speaker. The minister from Saskatoon-Humboldt has indicated that press reports in this connection may not be accurate. I attended the hearings and heard the Chairman of the Wheat Board make certain pronouncements. Therefore, the minister's observations about press reports are irrelevant. I ask the minister again, is the government taking under active consideration the specific proposition I referred to?

Mr. Speaker: Order, please. I must bring to the attention of the hon. member that in my view in some of the questions which have been asked there seems to be a reference to the work of the committee, which has not yet reported. It is contrary to the rules to discuss evidence taken before a committee before that committee has reported.

FISHERIES

FINANCIAL ASSISTANCE PRECEDING DEFICIENCY PAYMENTS

Mr. James A. McGrath (St. John's East): Mr. Speaker, my question is for the Minister of Fisheries and arises from a statement he made in the house earlier today. Since payments under the deficiency payments program announced by the minister will not be available to fishermen until the end of the season, will the government make operating capital available to fishermen at the beginning of the season so that they will not have to enter into barter agreements with buyers.

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer is no, Mr. Speaker.

[Mr. Schreyer.]

However, I know the hon. member is aware of the loans which have been made available to a number of other fish processing companies in his province and elsewhere.

Mr. Jack Marshall (Humber-St. George's-St. Barbe): A supplementary question, Mr. Speaker. I view of the financial crisis of 1968 it will be impossible for fishermen to go to the fishing grounds unless they receive interim financing. I do not see why that cannot be worked out.

Mr. Speaker: Order, please. That is not a question.

IMPLEMENTATION OF 12 MILE EXCLUSIVE ZONE

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I direct a question to the Minister of Fisheries. Since the matter is of great importance to the B.C. fishing industry may I ask the minister whether, before the house adjourns for the summer, amending legislation will be introduced affecting the established twelve mile limit extending from headland to headland in order to protect B.C. fishermen in waters off the Queen Charlotte Islands and in the Queen Charlotte Sound.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, legislation to that effect is under consideration.

[Later:]

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I want to ask a question supplementary to that asked by my colleague from Vancouver East, and directed to the Minister of Fisheries. In view of the fact that a few weeks ago the minister announced that he planned to have the 12-mile fishing limit delineated from headland to headland, I ask him when will this be implemented? Secondly, does he intend to introduce the legislation dealing with the Queen Charlotte Islands prior to the summer adjournment?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, it is my hope that the co-ordinates, in other words, the latitudes and longitudes defining the base lines along most of Canada's coast, will be published within the next two weeks. There are several gaps left, such as the gap at Queen Charlotte Sound, and it will be necessary to amend the existing legislation to deal with that particular matter. This is a matter of scheduling legislation and I must defer to the House Leader in this connection.

Mr. Douglas (Nanaimo-Cowichan-The Islands): As a further supplementary is it the intention of the minister to introduce such legislation at the present session?

Mr. Davis: I cannot answer that question definitely, Mr. Speaker.

Mr. James A. McGrath (St. John's East): Before he releases the maps showing the co-ordinates, would the minister take the Standing Committee on Fisheries and Forestry into his confidence, perhaps at an in camera session, so that a discussion can take place on this very important matter?

Mr. Davis: I will certainly consider that, Mr. Speaker, but I think that the co-ordinates will be obvious to the hon. member as ones which are defined by our geography, and they are not a matter for dispute from a policy point of view.

Mr. David MacDonald (Egmont): In view of the importance of this matter and its acceptance internationally, what steps is the government taking to have another Law of the Sea Conference convened in order to obtain some agreement with regard to these measures?

Mr. Davis: Mr. Speaker, I would prefer if this question were directed to the Secretary of State for External Affairs.

TRANSPORT

BORDEN-TORMENTINE FERRY RATES

Mr. David MacDonald (Egmont): Mr. Speaker, may I direct a question to the Acting Minister of Transport which relates to an answer the former Minister of Transport gave on Wednesday. I refer to the government's decision that, in principle, it will support an increase in ferry rates for Canadian National Ferries crossing to Prince Edward Island. Can the Minister inform the house whether there has been consultation with the government of Prince Edward Island on this matter and whether that government agreed to such a potential increase in the ferry rates?

Hon. James Richardson (Acting Minister of Housing): Mr. Speaker, as the minister stated recently in the house, the decision has been taken in principle to increase the rates, but the detail of the rate structure has not yet been determined. There has been consultation.

Mr. MacDonald (Egmont): A supplementary question, Mr. Speaker. Before a final decision is taken will the minister assure the house that interested parties will have an opportunity to make representations on this vital matter affecting transportation to and from Prince Edward Island?

Mr. Richardson: There have been many representations, Mr. Speaker, and there has been that opportunity.

[*Later:*]

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I also wish to direct a question to the Acting Minister of Transport with reference to the dismal decision regarding the ferry rates in Prince Edward Island. If the rates have not been determined, can he advise the house what time the new impost will become effective?

Hon. James Richardson (Acting Minister of Housing): No, Mr. Speaker. Both the actual rate structure and the timing of its implementation are being considered.

INCOME TAX

LATE FILINGS FROM DELAYED MAIL DELIVERY

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my question is for the Minister of National Revenue. Will allowance be made for the late filing of income tax returns owing to the deterioration of postal service?

FARM MACHINERY

POSSIBILITY OF PRICE FIXING

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I direct my question to the Minister of Agriculture. Has he asked the royal commission on farm machinery to look into the circumstances under which a major farm machinery company offered in an advertisement to cut tractor prices for a limited period, in order to meet the lower cost of tractors being imported from England? Will he initiate an investigation into the possibility of the existence of price fixing in the farm machinery industry?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I am sure that Dr. Barber has already taken this into account. However, I will undertake to make sure that the hon. member's representations are conveyed to the chairman of the commission.

Inquiries of the Ministry

CANADIAN NATIONAL RAILWAYS

REDUCTION IN OTTAWA-MONTREAL SERVICE

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I wish to direct a question to the Minister without Portfolio in charge of transportation. In view of the fact that at the end of this week, the C.N.R. is reducing its passenger train service on trains Nos. 35 and 38 to one or two days a week, between Ottawa and Montreal, can the minister say whether the government condones the negation of existing government policy—

Mr. Speaker: Order, please. This is obviously not a question that can be accepted.

NATIONAL DEFENCE

REPLACEMENT FOR CAMP PICTON

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of National Defence. Has he information that he could pass along to the house regarding an adequate replacement for Camp Picton which, as he knows, the government has phased out of military operations?

Hon. Leo Cadieux (Minister of National Defence): Mr. Speaker, I am sure the hon. member will soon agree with me that the future of Camp Picton has never been brighter.

Some hon. Members: Oh, oh.

Some hon. Members: Hear, hear.

OIL

MARKETING OF PRODUCTION FROM YUKON AND NORTHWEST TERRITORIES

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I wish to direct a question to the Minister of Indian Affairs and Northern Development. Has the minister consulted the governments of Saskatchewan and Alberta regarding future markets for oil and gas from the Yukon and the Northwest Territories?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am taking notice of this question, although I do not quite understand the purpose of it.

[Mr. Olson.]

[*English*]

GOVERNMENT ORDERS

CRIMINAL CODE

REPORT STAGE

The house resumed, from Tuesday, April 22, consideration of Bill C-150, an act to amend the Criminal Code, the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and to make certain consequential amendments to the Combines Investigation Act, the Customs Tariff and the National Defence Act, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

Mr. Speaker: Order, please. Before resuming consideration of Bill C-150 it has been suggested that the Chair might indicate what its views are in connection with amendments Nos. 12 to 41 which will be the next group to be considered by the house. If hon. members are in agreement with my suggestion I might indicate to them which of these amendments appear to be doubtful from a procedural standpoint.

I shall run through these amendments from No. 12 to No. 41 in a brief manner, and then we might return to each one individually, to hear whatever arguments hon. members might want to submit for the consideration of the Chair before a final determination is made from a procedural standpoint.

I would like to suggest to hon. members that amendments Nos. 12, 14, 16 and 25 might very well be out of order on the grounds that they are in the nature of substantive motions of a kind that are normally considered on second reading of a bill. Then it would appear that amendments Nos. 17, 18, 20 and 32 should not be accepted by the Chair and put to the house because they would appear to go beyond the scope of Bill C-150—

Mr. Baldwin: On a question of clarification, Your Honour, did you say Nos. 17, 18, 20 and 32?

Mr. Speaker: I said amendments Nos. 17, 18, 20 and 32. My suggestion would be that consideration of amendment No. 19 should be deferred until amendment 37 has been disposed of, and I would also like to suggest to hon. members that amendments Nos. 21, 22, 23, 31, 39, 40 and 41 are in effect the same question, that they represent essentially the same question. I would like to suggest to hon. members that amendment No. 21 might be

selected in accordance with Standing Order 75 (10), and that consideration of amendment No. 21 would effectively dispose of amendments Nos. 22, 23, 31, 39, 40 and 41. In other words, the suggestion is that these amendments are in order but they are essentially the same, and in accordance with the provisions of the Standing Order I suggest to hon. members that they should be marshalled and considered as one. Amendment No. 21 only should be put to the house, and the disposition of it eventually would apply to the others, Nos. 22, 23, 31, 39, 40 and 41.

Again, amendments Nos. 26 and 36 are identical. I suggest that No. 26 be selected for consideration, and that consideration of this amendment No. 26 should dispose of amendment No. 36. We now go to No. 28.

• (12 noon)

[*Translation*]

Amendment No. 28 appears unacceptable in its present form because, if it were adopted, it would give two different definitions to the words "accredited hospital" as used in the bill. However, as this is merely a technical error, the house would no doubt allow the hon. member for Abitibi (Mr. Laprise) to change his amendment by deleting therefrom the words "or approved". Then, the amendment would remain the same in substance and this technical difficulty would disappear.

If the hon. member so wishes, I could ask the house to give unanimous consent to this minor change to the amendment. If this is done, the house could take the amendment into consideration when it is called.

Mr. Gérard Laprise (Abitibi): Mr. Speaker, the suggestion is agreeable to me.

[*English*]

Mr. Speaker: Is the house in agreement that the amendment be amended in this way?

Some hon. Members: Agreed.

Mr. Speaker: It is suggested that the consideration of amendment No. 38 precede the consideration of amendment No. 37. As previously suggested, amendment No. 19 would follow amendment No. 37.

Perhaps hon. members would wish the Chair to return to the suggestion made to the house concerning amendments 12, 14, 16 and 25. I have serious doubts about these amendments because to my way of thinking they are substantive amendments which should not be moved at this time. However, I shall hear arguments or opinions of hon. members who may not be in agreement with the Chair on this point.

Mr. Woolliams: May I speak to the point of order. Mr. Speaker. As I understood it, I thought you questioned amendment No. 20. Yet you considered amendment No. 13 to be in order and permitted it. Am I correct in that regard?

Mr. Speaker: That is correct.

Mr. Woolliams: My argument may be premature, but I am prepared to submit that it is impossible to accept amendment No. 13 if amendment No. 20 is not accepted. These amendments should be read together. I am prepared to make that submission at the convenience of the Chair. My suggestion is that it would be illegal and impossible to allow amendment 13 to stand without amendment 20; they must be read together.

Mr. Speaker: I would think the hon. member is right on this point. Of course the decision of the Chair is only on procedural points and procedurally amendment 13 stands. The argument of the hon. member is that if amendment 20 is not put to the house amendment 13 does not make sense and may not be put to the house. Perhaps that should be considered. It is an interesting and important point. However, I would think we might start with the four amendments to which I have just referred, that is, amendments 12, 14, 16 and 25 which, as I suggested to the house a moment ago, would appear to be in the form of reasoned amendments. If there is no argument I think this should be the decision of the Chair.

I have not stretched a point at all in reaching this decision. Clearly in my view these are reasoned amendments declaratory of a principle. They are the type of amendment which ought to be moved normally on second reading but certainly not at this stage. Now we go to amendments 17, 18, 20 and 32 which in the view of the Chair would appear to go beyond the scope of the amending legislation now before the house. Again I would be pleased to hear the views of hon. members for the guidance of the Chair. I will, of course, take into account the arguments which may be submitted with regard to these four amendments.

Mr. David Lewis (York South): Mr. Speaker, I should like to speak mainly to amendments 17 and 18. I say immediately that I find it difficult to argue against your suggestion with regard to amendment No. 17

because it makes reference to sections which are not in the bill at all. I submit to you, sir, that that is not the case in respect of amendment 18. I imagine the same would be true with regard to a later amendment but at this stage I limit myself to amendment 18.

The fact is that clause 18 of the bill starts out by saying that section 237 of the said act is amended in a certain way. I suggest to you that if the section is to be amended by the bill it is not going beyond the scope of the bill to say that the section it is proposed to amend in a certain way be repealed. This is what the proposed amendment does. Indeed, in looking at the clause in the bill and the proposed amendment of my colleague the hon. member for Vancouver-Kingsway (Mrs. MacInnis), it occurred to me that she could, I suppose, have worded her proposed amendment in this way; she could have said that clause 18 be amended by deleting all the words after the first line thereof and substituting therefor the word "repealed". I hope I am making myself clear. She could have left the first line of clause 18 entirely alone. Perhaps that might be better than the language she has used.

The hon. member could have put her amendment in the following form: That clause 18 be amended by deleting everything after the first line thereof and substituting therefor the word "repealed". This is precisely what her amendment does. I suggest to you, Mr. Speaker, that it would clearly be an amendment of the proposed amendment if she had used that language. In effect, this is exactly what her amendment proposes. It is an amendment to clause 18. Clause 18 proposes certain amendments to section 237 of the Criminal Code. My colleague says that is not the amendment which is desired and that the desired amendment is that section 237 be repealed.

I do not know whether I have persuaded Your Honour as I have been persuaded, but I should like to put to Your Honour with force the general suggestion, which I believe was made earlier in the debate, that there are four approaches to the particular problem with which we are dealing in regard to this list of amendments. There is the approach that what the Criminal Code now says should be left alone. There is the approach that what the Minister of Justice (Mr. Turner) has proposed is a good way to deal with this subject. There is the approach put by some hon. members that there ought to be no leeway at all in respect of abortion, and then there is the approach represented by the amendment of my colleague the hon. member for Vancouver-Kingsway which is to the effect that the problem of abortion has no place in the Criminal law at all. I submit that all these are valid approaches to the problem from the legislative point of view and that the approach of the hon. lady that this matter has no place in the Criminal Code, which by the way I happen to support strongly, is an approach which ought to be placed before the members of this house for a vote so that they can declare themselves on that approach to the problem.

• (12:10 p.m.)

The first reason why I believe her amendment is valid is that it does not go beyond the scope of the bill because the bill does deal with section 237, and we could have worded the amendment in the way I have suggested. Had I known about it earlier I might have made the suggestion earlier, and then it would clearly be an amendment to the language of the proposed clause. The second reason is that it deals with a subject which ought to be considered by this house. Therefore I would urge Your Honour to reconsider your suggestion in respect of the wording of amendment No. 18.

As I have said, I can see no valid argument I might make in respect of amendment No. 17 inasmuch as it does include references to sections of the code not referred to in the amending bill.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, in view of the legal arguments that have been set forth so ably and clearly by my colleague, the hon. member for York South (Mr. Lewis), there are just one or two points I wish to emphasize. Before submitting amendment No. 17 I drafted two other versions in an attempt to put it in language which would be acceptable. On one previous occasion I made an attempt to put an amendment in language that might be acceptable. On this occasion I would be glad if the suggestion made by the hon. member for York South were accepted and the necessary changes were made to put this amendment into acceptable form.

It is very important that hon. members have an opportunity to express themselves as to the appropriate manner of dealing with this subject. Such an opportunity is not provided by any of the other amendments. One other matter that was before the house was handled by removing it from the Criminal

Code in order that we might deal with it in another way. If that is legitimate, I should like to follow the same procedure in respect of this contentious matter. It should be dealt with at this time and perhaps it might be considered by removing it from the Code.

Amendment No. 18 is worded in language which I believe is acceptable, and I feel we should be able to deal with the subject of abortion under this amendment in that it seeks to amend the amendment now before us.

At an earlier stage of the proceedings mention was made of the fact that this amendment might possibly be in order as a result of an arrangement which was not agreed upon by the four parties in the house. At that time it was suggested we allow an interval of time to discuss this amendment which deals with the legislation now before us. It was proposed that during that time those who wished to remove this matter entirely from the code could speak on the subject. In this way we would be dealing with any consequential amendments. There seemed to be a disposition on the part of members to follow that course in dealing with that issue.

Apart from the legal arguments, I should like Your Honour to consider seriously the fact that many hon. members feel this is a logical alternative, and that we should deal with this matter in this way because the opportunity to do so is not provided in any other amendment. Perhaps Your Honour might suggest a method of re-wording amendment No. 18 so it would be acceptable. I have in mind something similar to the suggestion that this matter be removed entirely from the Criminal Code.

Mr. David MacDonald (Egmont): Mr. Speaker, I should like to speak briefly in support of this amendment. By the very nature of the change in our rules we find that the majority of members have not had an opportunity to deal with the subject in this fashion. Now that the clause by clause study by the Standing Committee on Justice and Legal Affairs has taken place, the only opportunity for hon. members to discuss this matter and clearly express their opinions would be during the consideration of an amendment such as the one proposed. Therefore I support the argument that we deal with this matter under this proposed amendment in order that all members can express themselves.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, when we were dealing with amendments concerning gross indecency a problem arose in respect of procedure. Your Honour decided that if a proposed amendment went beyond the scope of the particular clause to which it purported to relate, it was out of order. I do not wish to repeat the citations I put to Your Honour at that time as they have been judicially noted and accepted by you. I do want to broaden that argument to show that in my opinion an amendment at the report stage is out of order not only if it goes beyond the scope of the clause to which it relates but also if it goes beyond the scope of the bill itself and in fact introduces a new clause in the bill.

At that time I referred Your Honour to citations from Beauchesne and the historic source of those citations, which I assumed to be from May, seventeenth edition page 549, where it states under the heading, "Inadmissible amendments".

> An amendment is out of order if it is irrelevant to the subject matter or beyond the scope of the bill, or if it is irrelevant to the subject matter or beyond the scope of the clause under consideration.

At page 558 of the same edition of May it is stated that a new clause is out of order for many of the same reasons applicable to an amendment, and will not be entertained if it goes beyond the scope of the bill.

I believe it is evident in the cases we are now discussing that the purpose of the bill to amend the Criminal Code does not consist of an entire revision and consolidation of the Criminal Code, but deals rather with certain parts of the bill being brought up to date in accordance with government policy. That part of an amendment which attempts to introduce a new clause by repealing an existing section in the Code, not just an existing clause in the bill, goes beyond the scope of the policy dictated in the bill and is out of order. If the amendment proposes a new clause by way of deleting an existing section of the Criminal Code, it goes beyond the scope of the bill.

Let me turn now to the four amendments under consideration. Amendment No. 17 attempts to repeal sections 209, 237, 238 and 150 of the Criminal Code. The hon. member for York South (Mr. Lewis) has admitted that sections 238 and 150 are in no way mentioned in the bill. All the bill purports to do in respect of section 209 is to clarify it by the addition of some clarifying words, namely the words "at the time of birth". In this way we are attempting to make perfectly clear the point of time to which a deliberate act within section 209 relates.

• (12:20 p.m.)

Section 237, which is the section relating to abortion, is found in the Criminal Code. Clause 18 of the bill merely says:

Section 237 of the said act is amended by adding thereto the following subsections:
"(4) Subsections (1) and (2) do not apply to"—

Then it refers to a very specific situation, where you have a qualified medical practitioner, supported by a committee of doctors, in an accredited or approved hospital, and the therapeutic abortion is carried out where the life or health of the mother is in danger. Within those restricted circumstances, subsections 1 and 2 of existing section 237 of the Criminal Code do not apply.

This is a deliberate policy amendment dealing with a specifically defined situation. It withdraws the application of two subsections of section 237 from that specific situation. What the hon. member attempts to do in amendment No. 17 is to eliminate that section completely. I suggest that is a policy decision on her part which goes well beyond the policy contained in the amendment and is therefore beyond the scope of the bill. I suggest it is as much beyond the scope of the bill as if the hon. lady had introduced a new clause.

In amendment 18 the hon. lady says that she wants section 237 of the act repealed. She does not refer to the bill; she goes back to the original Criminal Code. She is, in effect, introducing a new policy decision; she is introducing a new clause in the bill. The hon. member is not interested in attacking the bill by repealing one of its clauses; she wants to repeal the whole section of the original act. I suggest, therefore, that her amendment goes beyond the scope of the bill and introduces her own policy quotient into the original section, to which the bill relates in only a very restrictive way.

Turning to amendment No. 20, what the amendment does, in effect, is to repeal section 237, subsection 1, of the Criminal Code. It does not relate to clause 18, which has to do with a specific amendment to section 237 of the Criminal Code. The amendment of the hon. member goes well beyond that and eliminates a subsection of the original code. In other words, what the amendment purports to do is to exempt any female person from aborting herself; it would eliminate that section from the code. It would also eliminate the section relating to modality, the administration of a drug or other noxious thing, the use of an instrument, and manipulation of any kind. So the amendment goes well beyond the scope of clause 18 and goes back to the code. It is, in effect, a separate policy decision and repeals a subsection of the code to which the amendment contained in clause 18 in no way relates.

The same objection applies to amendment No. 32. The effect of this amendment is to repeal section 237(3)(a) of the Criminal Code. The amendment does not relate to clause 18 by way of a clarification, amendment, rejection or deletion; it goes back to the code itself and introduces a separate policy decision beyond the scope of the policy contained in the bill. It thereby goes beyond the scope of the bill.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, do you want to make a decision on the other amendments before I deal with No. 20?

Mr. Speaker: Obviously the Chair would have to make a decision on amendment No. 20 also, because in my view it would appear to be in the same category as the amendments to which hon. members have already referred.

Mr. Woolliams: I appreciate that the amendment has to be within the scope of the bill. I ask Your Honour to look at clause 18, which provides as follows:

Section 237 of the said act is amended by adding thereto the following subsections:—

Then clause 18 sets up a new law so far as abortion is concerned; it adds subsections to the code. My first submission is that clause 18 changes the law and practice of today; therefore the bill does amend section 237. A small change was made to my amendment, but I make nothing of that because I think the wording used by the officers of the law branch is better than the wording I used. However, the procedure is the same. What I could have done, rather than asking that section 237 be repealed, is add the word "unlawfully". I think the amendment is in order because it is within the scope of the bill and is part of the purpose of the bill.

Let us consider the law as it stands at the present time. Two sections of the Criminal Code are very important and must be read together in order that they not be ambiguous. I refer the house to page 348, volume No. 10 of the proceedings of the Standing Committee on Justice and Legal Affairs. Professor Mewett was explaining to the committee what

the law is now and what it will be when these amendments take effect. I asked the professor this question:

May I ask you to pause there, so that this is on record? You are dealing with the Canadian section 209. I think it should be read in at this time. Then I will ask you the next question which is dealing right with the point you are on, if I might, Mr. Chairman.

"209. (1) Every one who causes the death of a child that has not become a human being, in such a manner that, if the child were a human being, he would be guilty of murder, is guilty of an indictable offence and is liable to imprisonment for life.

(2) This section does not apply to a person who, by means that, in good faith, he considers necessary to preserve the life of the mother of a child that has not become a human being, causes the death of the child."

Section 209 of the code makes it illegal to cause the death of a child that has not become a human being; it is an offence to do this. Subsection 2 of section 209 provides that the section does not apply to a person who, in good faith—this, basically, has always been a doctor—causes a miscarriage in order to preserve the life of the mother. The House of Lords ruled that this section, properly interpreted, means not only the life of the mother but her health, that is, if she would otherwise become an emotional or physical wreck. I continued my question to the professor in these words:

And I take it from conversations I had with you this morning, that you feel that the Bourne case principle that interprets the preservation of the life has been applied in Ontario, and I believe it has been applied elsewhere in Canada. It does not mean to save her from violent death, but it means to preserve her life, in a case where she might otherwise be left impaired physically or emotionally. Then of course the doctor in good faith who performs such a therapeutic abortion would fall into the saving and exception clause of section 209. What you are really saying is, with the strength of section 209 and considering proposed section 237, if the word "unlawfully" were put in you would be obtaining the same result basically of what the bill is trying to do at the present time.

• (12:30 p.m.)

I emphasize those words. If the word "unlawfully" were included we would obtain the same result, basically, as that sought by clause 18 of the bill. Actually, from a legal point of view you are not in fact really changing the statute law of Canada very much. To this the professor answered that this was his view. So my first point is that by taking out the words "in the act of birth" from section 209 and adding the word "unlawfully" in section 237, according to the professor of criminal law from the University of Toronto you are doing the same thing as does the wording of the bill.

Someone might ask, why bring it in at all? I will tell you why, sir. This amendment will make one small change to clause 18 of the bill. Mr. Speaker, I wonder whether the hon. members over there could hold their meeting outside because I am trying to explain a very technical matter.

I was going to explain the reason for this change. Under clause 18 of the bill a committee of doctors must be set up and the operation can only be performed in an accredited hospital if the doctors say that an abortion is necessary in their view to preserve the life and health of the mother. That is the only difference between my amendment and clause 18, leaving section 209 as it is in the code except for the words "in the act of birth" and amending section 237 to make it clear that there is no onus on the doctor and he cannot be penalized. This same change was suggested by the former minister of justice, Mr. Garson, when the code was changed in 1953, so that the only change I suggest is that a committee of doctors or an accredited hospital not be made a requirement in the bill.

Let me explain briefly why I wish to make the change and why it was recommended by the professor. In remote parts of Canada far away from urban centres it is difficult or impossible to get a committee of doctors or to reach an accredited hospital. So this bill would be discriminating, by procedure only and not by law, against people who live in these areas. For instance, Tisdale or Melfort is 160 miles from Saskatoon where there are enough doctors and accredited hospitals. This is an example only. So, as I said, by amending section 209 by taking out the words "in the act of birth", and by inserting the word "unlawfully" in section 237, we will be achieving the same thing as is achieved in the bill as presented by the minister. That is what was said by the professor from Toronto, and I submit he is correct. May I say, with the greatest respect, that the decision was arrived at with the aid of advisers, and this is a very technical point in the law.

As defence counsel I have pleaded many cases dealing with abortion. I think I understand the law and I understand what the professor is saying. My main argument in favour of this amendment is that if we delete clause 18 from the bill, as proposed in amendment No. 20, we must also make the proposed deletion in clause 15, as set out in amendment No. 13, because if either of them

were left in the bill without the other the law would be bad.

I ask why the words "in the act of birth" were inserted in section 209. Under clause 18 of the bill, in the normal course of events a committee of doctors would have to be called and an accredited hospital used, but when a woman is on the delivery table it is too late to call a committee of doctors to make a decision to preserve her life or health. A doctor must make his decision immediately and perform the operation without consulting the committee. Under the law as it is proposed in the bill, the doctor would have to make his decision without the advice of a committee and without an accredited hospital to save the life and preserve the health of the mother; otherwise, as my good friend says, the mother may bleed to death. The doctor would have to make a decision at that moment and would not be able to call a committee.

Section 209 (2) reads as follows:

This section does not apply to a person who, by means that, in good faith, he considers necessary to preserve the life of the mother of a child, causes the death of such child.

Crankshaw's Criminal Code at page 333 says the following:

The words "preserving the life of the mother" are to be construed in a reasonable sense. They are not limited to the case of saving the mother from violent death; they include the case where continuance of the pregnancy would make her a physical or mental wreck.

In other words, it is illegal today to perform certain abortions under certain circumstances except, as stated in section 209, when a doctor decides in good faith to do this operation for two reasons: (a) to preserve the life of the mother or (b), to preserve her health so that she does not become a physical or mental wreck.

Taking out the words "in the act of birth" will permit a doctor to perform such an abortion under these circumstances regardless of whether or not the mother is in labour pains. If she comes to see the doctor in his office and, after he has examined her, he comes to the conclusion that she will either likely lose her life or that her health will be endangered, he can, in good faith, send her to a hospital and perform the operation. This is what my amendment seeks to achieve when I propose the addition of the word "unlawfully" in section 237. Clause 18 of the bill reads:

Section 237 of the said Act is amended by adding thereto the following subsections:—

[Mr. Woolliams.]

In my amendment I propose to repeal subsection (1), and to add the word "unlawfully" to section 237, so that it would not be unlawful for a doctor to perform an abortion in good faith to preserve the life and health of the mother, provided it is done in good faith, and the onus is on the Crown to prove that this is not so. The doctor does not have to wait for the act of birth.

I hope that this amendment will be accepted by the house because if it is not there would be serious consequences. I should like to quote from the Criminal Law Quarterly where the following is stated at page 385 by Professor Mewett:

Under s. 209 of the code (with the proposed amendment)—

Meaning the bill itself.

—causing the death of a child that has not become a human being in the act of birth is not illegal if the person causing the death considers it necessary in good faith to preserve the life of the mother. The Bourne principle clearly applies, allowing the medical practitioner to exercise his own judgment in the act of birth. If, however, the pregnancy is to be terminated prior to the act of birth, apparently totally different, incredibly complex and dubiously constitutional provisions apply.

Procuring a miscarriage (or, to be precise, using any means with that intent) will be lawful if a therapeutic abortion committee, by a majority, certifies that in its opinion the continuation of the pregnancy would be likely to endanger the mother's life or health. Apparently the miscarriage is lawful with or without the consent of the mother, though sub-s.(8) states "Nothing in subsection (4) shall be construed as making unnecessary the obtaining of any . . . consent that . . . may be required otherwise than under this Act . . ." I assume that that means, if it means anything at all, which I doubt, that the doctor is guilty of assault but not of procuring a miscarriage. This hardly scratches the surface of the abortion problem, and probably makes no difference to the present situation (apart from complicating it) in which most doctors will already perform therapeutic abortions, on the understanding that the Bourne principle applies not only to s.209 but also to s.237.

The Bourne principle stretches it not only to the preservation of life but to the preservation of the mother's health. With respect to the provision concerning abortion in the act of birth, he did not like the bill. He said: Take section 209, and take out the words "in the act of birth", which give the doctor the right to do what this bill prescribes, and put the word "unlawful" in section 237 to make sure a doctor cannot do it illegally. Then, he says, you arrive at the intention of the bill.

• (12:40 p.m.)

I agree I am speaking at some length on this subject but it is an extremely technical

one. This is a difficult point to get across because it is so involved. One has to study it as a lawyer, but the procedure is basically that of the bill itself. The amendment seeks to do away with the rigmarole of the committee and the hospital but the procedure is really identical. That is the way I have drafted it. I have changed two sections which must be read together but I am not changing the substance of the bill; I am merely changing the procedure for the protection of the public generally.

One advantage of my proposal is that the bill will no longer discriminate against Canadians who do not live in urban centres. The purpose is the same and the protection, basically, is the same. But the provision will be fairer in places where there are not enough doctors or enough committees or enough hospitals for the people who live in those areas. That is the only difference.

I say, with great respect to you, Mr. Speaker, and to your advisers, that this is not something one can understand in a few minutes or half an hour. The professor says that this amendment does not change the law but merely changes the procedure. Surely, then, the amendment to this clause as we have drawn it is acceptable. I submit it is correct in law. The sections concerned are both changed by the new bill. I am changing them a little differently. Now that I have explained it, I hope Your Honour will allow the amendment to stand. If it does not, and if the amendment to section 209 carries, the situation would be very bad indeed. It would be a travesty of justice. We should not have law like that in Canada.

If you disallow amendment 20, Mr. Speaker, you must then say that amendment 13 is out. I hope you will not make your ruling today. I want you to think well about this. If I were arguing this point before the Supreme Court of Canada I could not be more sincere. It is difficult to understand just how involved the procedure is. To quote the professor again, the amendment does not change the law as drafted in the bill. It does away with the necessity for the committee and the hospital and would prevent ruthless doctors waiting until a woman started to have labour pains and then killing a live infant or foetus. That, to me, would be murder in the hospitals. I do not believe the doctors of this nation would ever want to get into that position; I have great respect for the profession. But let us not leave the law in such a state that it could happen.

Mr. Turner (Ottawa-Carleton): With the greatest respect, I feel the hon. member went well beyond the procedural argument to introduce matters of substance also. We discussed Professor Mewett's opinion in the committee, and we introduced contrary legal opinion. I am of the view, given to me by the law officers of the Crown and by the profession generally, that there is not too much validity in Professor Mewett's argument.

In any event, what the hon. member has done is to suggest that because Your Honour has allowed amendment 13 dealing with section 209 you should allow his amendment 20 which, he says, fits in with it. If you look at the code you will see that sections 209 and 237, those to which the amendments relate, deal with entirely different factual circumstances. Section 237 deals with miscarriage or abortion, the killing of the foetus before the natural moment of birth. Section 209 relates to any killing at the time of birth. These are two different factual situations, two different offences under the code. For the hon. member to try to link the admissibility of amendment 20 to that of amendment 13 is an argument which does not hold water either procedurally or in substance.

Mr. Speaker: I thank hon. members for their enlightening comments and I shall try to make a ruling which I hope will be acceptable to all.

So far as amendment 17 is concerned, no real case has been made by the hon. member for Vancouver-Kingsway or by the hon. member for York South. I believe they agree that this proposed amendment, identified as No. 17, does go beyond the scope of the bill.

I am afraid amendment No. 18 falls in the same category. I think I should say, in a general way, that this ruling is applicable also to the amendment put forward by the hon. member for Calgary North. I was most impressed by his argumentation. I think I might have been moved by it more if I were a member of the Supreme Court of Canada rather than Speaker of the House of Commons. He put forward a complex and able legal argument. My feeling, however, is that the Chair should not be placed in a position where the Speaker has to rule on legal points. The tradition and background of the position of the Chair is that the Speaker should rule only on procedural matters. This has been established on many occasions when arguments

are made in the house by learned counsel who happen to have gone astray and have become Members of Parliament. They present to the Chair constitutional arguments—whether legislative proposals, for example, should be accepted or put to the house, on the grounds that they may not be constitutional or legally acceptable. In our parliament, the Chair has always taken the position that it cannot make ruling on such a basis—that this has to be done by the lawyers and the courts, and that the Chair should not take on its shoulders responsibility for ruling on legal arguments. This is why much of the argument put forth by the hon. member for Calgary North and by the Minister of Justice goes beyond the scope of my responsibility in looking at this amendment.

Amendment No. 18, in my view, attempts to introduce a new legislative proposal by way of an amendment. It clearly goes beyond what we have before us. The legislation introduced by the government is limited in scope; it is not the whole of the Criminal Code that is before the house, only certain sections and subsections of the code, and clearly an amendment proposed at this time cannot go beyond the bill which is before us. We cannot reach behind this bill to amend in some way the basic legislation, in this case, the Criminal Code.

If we look at section 237, with its three subsections, we find that they are not, as I understand it, before the house at the present time except in a very indirect way and I cannot see how, by an amendment, the hon. member can attempt to alter or amend them. This is why with much regret I have to reach that decision in connection with Nos. 17 and 18.

• (12:50 p.m.)

The hon. member for Calgary North has made it very difficult for the Chair to confirm the opinions expressed when I first brought my doubts as to amendment 20 to the attention of the house. I can assure the hon. member for Calgary North that I have been giving the most serious consideration to all these amendments for many days now. I have spent many hours looking at them from a procedural standpoint. It is not easy for the Chair to refuse an amendment such as this which of course is based on the most laudable motives. It is obvious the hon. member for Calgary North is attempting to achieve a highly laudable purpose by this amendment. However, it seems from a procedural standpoint this cannot be done by way of the suggested amendment.

Whether because this amendment is not accepted No. 13 falls I cannot say, because this is not a procedural point. All the Chair can do is look at amendment 13 as it stands by itself and say that from a procedural standpoint this amendment seems to be in order, that it has to go before the house unless the hon. member wants to withdraw the amendment or amend it in some other way. I would not think that because another amendment would be affected from a substantive point of view the Chair could refuse to apply the procedural rules which in this case apply to amendment 20 in the same way as they apply to amendments 17, 18 and 32.

The last one, of course, is amendment 32. I have the impression, if I remember the arguments which have been advanced by hon. members, that not much has been said about this one.

[*Translation*]

It would seem that the proposed amendment goes beyond the scope of the bill now before the house, and that it attempts to repeal subsection (3)(a) of section 237 of the Criminal Code.

By attempting to repeal part of that section of the Criminal Code, the amendment constitutes, in fact, a new legislative proposal and, on that basis, has nothing to do with Bill C-150.

Hon. members will recognize that this argument also applies to amendments Nos. 17, 18 and 20. For that reason, I feel that I cannot accept the proposed amendment.

[*English*]

I apologize to hon. members if I appear to be a little harsh in making these rulings. I wish all these amendments could have been accepted and put to the house. It would have been much easier for the Chair to rule in this way. At the same time I believe it is my responsibility to look at these amendments as closely as I can, consistent with my responsibility to the house, and to make a ruling in accordance with my conscience. Therefore I have to make the ruling that these particular amendments cannot be accepted.

We go on to the following point which is a consideration of amendment No. 19. My suggestion was that it be deferred until amendment No. 37 has been disposed of. I trust there will be no objection to this on the part of hon. members.

My subsequent proposal to hon. members was that amendments 21, 22, 23, 31, 39, 40 and 41 were in effect the same question and the proposal was that No. 21 be selected for discussion in accordance with section 10 of Standing Order 75, without suggesting in any way that the other amendments are not in order. They are all in order. For the purpose of an orderly discussion, this one would be selected and the disposition by the house of amendment No. 21 would apply to the other amendments to which I have just referred. Is this agreed?

Mr. Woolliams: On a point of order, Mr. Speaker, I have listened to Your Honour's decision, which I know has been made very conscientiously, and I certainly accept it. I just wish to make this one point. I think it is necessary for me, according to my conscience, to withdraw amendment 13. In amendment 13 I am deleting words. In amendment 20 I am merely adding the word "unlawful".

I abide graciously by Your Honour's decision. If Your Honour rules amendment 20 out of order, according to my conscience I could not let amendment 13 remain before the house. If I did so, a doctor would not be able to bring about a miscarriage in order to preserve the life and health of a woman who was in the delivery room. Those two sections must be read together. If amendment 13 were to carry, it would place the doctor in a horrible position. At that stage a doctor cannot call on a committee. Inasmuch as Your Honour has ruled amendment 20 out of order I ask that I be permitted to withdraw amendment 13. If one falls they must both fall, or we would have the kind of law no one could accept.

Mr. Speaker: I wonder whether we might dispose of the point raised by the hon. member for Calgary North. His point is well taken. He knows what the intention is behind amendment 13 better than any other member. If it is his wish in the circumstances to withdraw his amendment, I am sure the house would agree to this. Is it agreed?

Some hon. Members: Agreed.

Mr. Winch: A point of order, Mr. Speaker, before you leave the chair for the adjournment. Many of us are being asked a question which we cannot answer, and I can only ask Your Honour about it on a point of order. Would Your Honour be kind enough to explain what the situation will be this afternoon? Does the house adjourn automatically at five o'clock, or what happens?

Mr. Speaker: Order, please. On the point raised by the hon. member, the house does not adjourn automatically at five o'clock. The debate continues automatically at five o'clock. I wonder whether the house would not be disposed to try to settle all these procedural questions because otherwise we would have to continue them at two o'clock. I wonder how long it would delay the debate which it has been agreed will commence at two o'clock.

Some hon. Members: Agreed.

Mr. Speaker: I think we have got over the most difficult hurdles, amendments 17, 18, 20 and 32 which were the subject of long debate. I think the others might be disposed of quickly.

Mr. Baldwin: In that regard, Mr. Speaker, has the request by the hon. member for Calgary North to secure unanimous approval been accepted?

Mr. Speaker: Yes, that has been accepted. It has been so ordered.

Mr. Baldwin: I felt he need have no fear because of the attitude of the government. He need have no fear the amendment would ever be carried in any event. A question arises, Mr. Speaker, with regard to the amendments that Your Honour in my opinion properly combined. Can we then take it for the purpose of the discussion and the debate which will take place commencing Monday—I would hope in an orderly way—that with regard to the first group Your Honour combined commencing with No. 21 speakers should have every right to direct their attention to and participate in the debate on No. 21, and when the house has come to a decision on that amendment we would then be governed by Your Honour's decision, which I assume is made pursuant to Standing Order 75, and there would be no further debate on the subsequent combined clauses?

Unfortunately a number of members are unable to be here this morning to listen to these arguments. Their other duties may prohibit them from hearing the decision made today. So that there may be an orderly disposition, I ask Your Honour for direction on that point. Also, would it be possible to put in

Routine Proceedings the numbers of the amendments which will be dealt with so that we will have this information before us when we start on Monday?

• (1:00 p.m.)

Mr. Speaker: On the last point referred to by the hon. member, this was considered and we propose to put out a separate notice paper which hon. members should have ready on their desks for reference. It will indicate exactly what has happened to the amendments. So it will be much easier at the beginning of next week for hon. members to know which amendments have been accepted, which amendments will be discussed and what will be the disposition of them from a procedural standpoint. I wish to confirm the statement of the hon. member for Peace River that amendments Nos. 21, 22, 23, 31, 39, 40 and 41, in accordance with section 10 of Standing Order 75, are marshalled and combined, so that a vote on the first one will dispose of all those other amendments. We could now go to No. 26.

Mr. Burton: Mr. Speaker, I wish to deal with the amendments you have just mentioned. They all deal with the obligations of hospitals as institutions and with the obligations of medical practitioners, staff and other personnel who may be involved with abortions. No individual amendment deals with all three categories. I wish to refer particularly to the amendment that you are proposing to place before the house for discussion, which deals with the question of hospitals as institutions, and with the situation of medical practitioners. It seems to me that there is no objection to proceeding with that amendment as a basis for debate so long as an amendment may be moved that would deal with the position of hospital staff and other personnel.

Mr. Speaker: Of course, this will have to be considered when the hon. member suggests these changes to the house. It may be possible to move subamendments provided that they are in order.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have only one question to put, to clarify something. I should like to know how we will go about the votes next week, should there be any?

[Mr. Baldwin.]

Mr. Speaker: We will come back to that in a moment.

I studied that difficulty, and as soon as we have decided, in the light of the procedure, whether the proposed amendments are in order or not, I shall suggest how they could be put to the vote.

[*English*]

I now refer to amendments Nos. 26 and 36, which are identical. May I suggest that the question be put on amendment No. 26. The disposition of amendment No. 26 would also apply to amendment No. 36.

[*Translation*]

With regard to amendment No. 28, the house accepted the change in wording a moment ago; it poses no problem and it can be dealt with normally by the house in due course.

[*English*]

It is suggested that consideration of amendment No. 38 should precede consideration of amendment No. 37, as previously suggested, and that consideration of amendment No. 19 should follow consideration of amendment No. 37.

[*Translation*]

A moment ago, the hon. member for Abitibi (Mr. Laprise) brought up the matter of the votes.

[*English*]

This matter has been studied and I should like to suggest to the house the following. Since amendments No. 21, 22, 23, 31, 39, 40 and 41 are essentially similar, and since amendment No. 21 has been selected for discussion, it is suggested that the division on those amendments should take place after consideration of proposed amendment No. 21.

Some hon. Members: Agreed.

Mr. Speaker: Also, there would be a division on amendment No. 15. So we would have two divisions at that point, the division on amendment No. 21, which would cover the amendments I have referred to, and the division on amendment No. 15.

The second divisions would take place in connection with amendments No. 24, 26, 27, and 28. These all relate to the same parts of clause 18. It is suggested that the divisions on

these amendments should take place after consideration of amendment No. 28. This would give us four divisions. There would be four divisions on amendments No. 24, 26, 27 and 28, which would take place at the same time.

Third, as amendments Nos. 29 and 30 are similar it is suggested that divisions take place on those amendments after consideration of amendment No. 30. At this point the Clerk Assistant would be called upon to serve for two divisions.

Lastly, with regard to amendments Nos. 33, 34, 35, 38, 37 and 19, which also relate to Clause 18 of Bill C-150, perhaps the division on those amendments might take place after the consideration of amendment No. 19. In this instance there would be six divisions.

Some hon. Members: Agreed.

Mr. Speaker: Is this agreed? I should be pleased to hear the views of hon. members on these proposals.

Some hon. Members: Agreed.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, you referred to six divisions. Do you mean that the bells will be rung on six separate occasions?

Mr. Speaker: I am suggesting that there will be one voting exercise. There will be, of course, six different votes. The bells may be rung six times or once only, depending on the desire of the house at that moment. But there would be, of course, six individual divisions, marshalled together and held at the same time. Hon. members will have a fair idea, through their party advisers, when these divisions will be held. But these six different amendments relating to Clause 18 of Bill C-150 would be disposed of at the same time.

Is it agreed that consideration of the report stage of Bill C-150 be adjourned?

Some hon. Members: Agreed.

Mr. Turner (Ottawa-Carleton): That takes us up to amendment No. 41 inclusive, Mr. Speaker.

Mr. Speaker: I understand that these matters all cover the subject of abortion. If and when we dispose of this subject we may go to other subjects and to other amendments to the omnibus bill.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2 p.m.

MOTION TO ADJOURN UNDER S.O. 26

HOUSING

RESIGNATION OF MINISTER AND FAILURE OF GOVERNMENT TO PROVIDE ADEQUATE ACCOMMODATION—MOTION TO ADJOURN UNDER STANDING ORDER 26

Mr. Deputy Speaker: Order. Pursuant to Standing Order 26 the hon. member for Nanaimo-Cowichan-The Islands, seconded by the hon. member for York South, moves that the house do now adjourn.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the announcement yesterday by the Minister of Transport (Mr. Hellyer) that he is resigning from the cabinet brings to a head the worsening situation with respect to housing in this country. Ever since the end of world war II the steady movement of population to the urban centres has aggravated the housing situation to the point where massive government action is imperative.

Successive governments have followed policies of stalling and procrastination with the result that the situation has grown increasingly desperate. In 1966 the Hon. J. R, Nicholson, then Minister of Labour, was given the task of dealing with housing and staged a series of housing conferences across the country, culminating in a national housing conference in Ottawa a year ago last January. All the data that was collected, all the work that was done, resulted in no announcement of any government policy. Instead, last summer the government appointed another group, a task force on housing headed by the Minister of Transport, to review the matter again.

In recent months that task force tabled a report. We in this party criticized that report. We felt that it failed to come to grips with the realities of the situation. But there were some significant recommendations in it, and the Minister of Transport is not to be blamed when he feels humiliated that his colleagues immediately proceeded to veto the only recommendation that really had a great deal of merit. The Minister of Finance (Mr. Benson) immediately made it clear that the government had no intention of removing the 11 per cent sales tax on building materials.

Housing

Last week the Prime Minister (Mr. Trudeau) made it clear that he had no intention of setting up a separate ministry of housing and urban affairs. If reports can be believed, the proposal for financial assistance to municipalities to enable them to establish land banks has also been turned down by the cabinet. Certainly we will know better when the legislation is brought down whether or not this recommendation is going to be accepted.

All of this has brought us to the place where the minister responsible for housing has submitted his resignation to the Prime Minister, and I submit, Mr. Speaker, that this resignation deals with something much more fundamental than housing. It deals with the whole question of the lack of government initiative in dealing with the most pressing national problems confronting the country.

I read from the report in yesterday's Ottawa *Journal* containing statements made by the Minister of Transport at his press conference yesterday morning:

> The country, he related, "expected me to do something about these things, housing, urban affairs, pollution. But in the Prime Minister's conception of federalism, these are provincial responsibilities. The Prime Minister's constitutional theories sound fine in the classroom—the trouble is they just won't work.
>
> People expect the federal government to provide full employment—without this insidious inflation—to take action on clean air and clean water. These are the bread and butter issues. But these are the issues the Prime Minister says must be left to the provinces while he sorts out the constitutional priorities."

May I also refer to the minister's letter of resignation dated April 24 in which he says in part:

> Having spent much of my adult life in the parliament and government of our country, I need hardly tell you how difficult a decision this has been for me. As we have discussed, however, I find myself increasingly disturbed with the directions and policies being followed by the government. I feel there is a lack of initiative in using federal powers to deal with issues such as housing, pollution, inflation and urban development which are so vital to the needs of ordinary people in our modern, industrialized society.
>
> Given these circumstances and after the most thoughtful consideration on my part, I feel I have no alternative but to resign from the cabinet.

I submit that the Minister of Transport has put his finger on the basic reason for the government's lack of initiative, namely, the fact that the Prime Minister's conception of our federal system, as the Minister of Transport said yesterday, is to have ten strong provincial governments headed by a weak federal government.

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

• (2:10 p.m.)

Last year in the course of the federal election the Prime Minister fooled a lot of people by talking of one Canada and national unity. What he failed to tell them was that his concept of national unity consisted of a 19th century interpretation of the constitution of Canada. He held that the only important change required in the British North America Act was to guarantee language rights, and that a reallocation of federal and provincial responsibilities was relatively unimportant and unnecessary. Mr. Speaker, we reject that viewpoint. We believe the constitution is not sacrosanct. We believe the constitution was made for man, not man for the constitution. After all, what is a constitution? A constitution is the legal framework within which a nation lives, moves and has its being. It is not the law of Moses handed down from Mount Sinai. A constitution must be a living organism that grows to meet expanding social needs and adjusts to meet changing conditions and changing circumstances.

I contend that the Prime Minister's concept of the constitution will bring about in this country stagnation, regional discord and national disunity. I submit it is unworkable for three reasons. First of all, it fails to recognize that the provinces and municipalities do not have the sources of revenue necessary to discharge the responsibilities assigned them under the British North America Act. Education, health, welfare and resource development were relatively unimportant areas in 1867, but in 1969 they are beyond the capacity of the provincial and municipal governments under their present taxing powers.

Second, I would point out that the present division of powers can only result in wider regional disparities. Affluent provinces will be able to enjoy fairly reasonable standards of services while the people of the poorer provinces, even when taxed to the hilt, will be required to content themselves with a lower standard of living.

Liberal governments in the past have paid lip service to the basic premise of the Rowell-Sirois report which said that all Canadians, irrespective of where they live, should be able to enjoy minimum standards of education, health and welfare. It is the failure to deal with this problem which is the real threat to national unity. Nothing will do more to tear this country apart than to have some

parts of Canada feel, as they do now, that they are the Cinderellas of Confederation, that they are ignored and overlooked.

Third, I would point out that the status quo concept of the constitution fails to take cognizance of the fact that new problems have arisen which were never envisaged by the framers of the British North America Act. Urban renewal, housing, urban transportation, pollution, manpower training, higher education and the need to cope with inflation cannot be resolved on the basis of the 1867 division of powers and responsibilities as between the three levels of government.

Mr. Baldwin: Don't forget the present Prime Minister.

Mr. Douglas (Nanaimo-Cowichan-The Islands): It is not good enough for the Prime Minister to hide behind the constitution and say that these problems are the responsibility of the provincial authorities. The federal government alone has access to all the taxing fields. The federal government alone has control of the monetary and fiscal policies of the country. The federal government alone can redress the imbalance which exists between the various regions of Canada.

The Prime Minister is seeking to put Canada into a constitutional strait-jacket. He poses as the man of the future. He speaks eloquently of breaking with the past and meeting the challenge of the future. Meanwhile he is tying around the necks of the Canadian people the albatross of an outmoded concept of Canada's constitution. I suggest that the Prime Minister's rigidity in his conception of the constitution can do irreparable damage to this country, and the resignation of the Minister of Transport yesterday indicates that at least one of his colleagues has become aware of that fact.

We in this party believe the constitution must be used to serve the needs of the Canadian people in a modern technological age. There is much that can be done by the federal government, even under the constitution as it now stands, if the government is prepared to provide imaginative leadership. The federal government can make grants and loans available to the provinces and through them to the municipalities either on a conditional or unconditional basis. Instead, the present government has been withdrawing from cost-sharing arrangements and has been leaving the provinces to their own resources. Tax abatements help the wealthier provinces but have little value for those provinces with a negligible tax base. The federal government could establish joint federal-provincial programs to deal with housing, pollution and urban renewal. It can supply the necessary funds and expertise while leaving to the provinces the on the spot administration and supervision.

We believe that in the long run the federal government should press for a constitutional formula which will provide for a delegation of legislative powers to enable the provinces to delegate whatever authority is necessary to the government of Canada to meet some of our most pressing problems. It could also include a formula to provide for concurrent powers as has been done in many other federal systems.

During the election campaign last year the New Democratic party advocated such an approach. We recognized, however, that the province of Quebec in its desire to safeguard its language and culture might be reluctant to agree to certain transfers of authority. Therefore we took the position that those provinces which did not wish to delegate certain powers should not be permitted to prevent the federal government and the other provinces from dealing effectively with some of these more pressing problems.

It was for this reason we suggested that Quebec be allowed particular status as was done in the case of the Canada Pension Plan where nine provinces and the government of Canada proceeded with a very desirable piece of social legislation and arranged for Quebec to have a plan which would be portable and reciprocal. Has this hurt Confederation? Not at all. It has certainly demonstrated that flexibility within a living constitution can meet the needs of the people. That, primarily, is what a constitution is for. If Quebec desires to do so there is no reason that she could not operate her own programs in some of these fields and receive an equivalent financial contribution from Ottawa.

• (2:20 p.m.)

The Prime Minister has accused us of favouring two Canadas. I want to point out that we are seeking to establish one Canada with a constitution sufficiently flexible to enable this country to cope effectively with problems whose solutions we dare not longer neglect. I want to say to the Prime Minister that yesterday's resignation is the first sign of growing disenchantment and disillusionment

with his interpretation of Canada's constitution. I want to say that the public will no longer condone weaseling and waffling and that the public knows there are problems facing this country which must be dealt with effectively. The public will not be satisfied with being told that the government is hiding behind the constitution.

Just the other day the Canadian Federation of Mayors and Muncipalities presented a brief to the Prime Minister and his government. In point No. 7 they said this, and I think it is significant:

> Federal authorities can, of course, shrug their shoulders, point to Head 92 (Section 8) of the B.N.A. Act and remind the federation that municipal institutions are the creatures of provincial governments . . . (a more accurate term is that recently used by a distinguished Canadian urban planner, who described municipalities as the "orphans" of provincial governments) . . . but this kind of constitutional argument is not meaningful: in the first place, the problems of the municipalities are provincial problems, and vice-versa; secondly, with over 50 per cent of Canada's population accounted for by 18 urban areas, the federal government cannot take the view that the spectrum of urban frustration suffered by these Canadians has no constitutional relevance to federal jurisdictions.

Unless the government is prepared to recognize that such problems of housing, urban renewal, pollution, manpower training and inflation are being placed at its doorstep by the people of Canada, until it recognizes that the people of Canada will not allow it to take refuge in constitutional interpretation, I believe that this country will continue to wallow in what the Minister of Transport referred to as a lack of initiative.

The Prime Minister has had his first warning. This resignation is symptomatic of a malaise in our society, of a discontent with the government's failure to take the initiative and the government's failure to act. If the government continues to neglect these responsibilities which it quite properly has, then I submit there will be a growing disparity between different areas and that there will be growing disunity in Canada.

The Prime Minister has a great opportunity, if he avails himself of this warning and if he grasps the nettle and tackles these problems, using the constitution as it is, and asks for the co-operation of the provinces for a delegation of power and provision for concurrent jurisdiction to deal with any problems which cannot be dealt with under present jurisdiction. If he accepts this opportunity he will have the support of the people of Canada and he will have taken a first step on the road to enable Canada to reach that great destiny of which it is capable.

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

[*Translation*]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the proposition we are now considering asks for the adjournment of the house—

> —for the purpose of discussing a specific and important matter requiring urgent consideration—

—and solving the housing crisis now prevailing in Canada.

I was hoping that the mover of this motion would take the floor about the housing crisis, Mr. Speaker. He did not say a word about it, except in very general terms, right at the start, that is—

[*English*]

"the worsening of the housing situation in this country,"

[*Translation*]

But no statistics or figures.

Some hon. Members: Hear, hear.

Mr. Trudeau: The leader of the New Democratic party has taken advantage of this to talk about the constitution while we believed we were here to discuss housing.

We are listening to comments on the constitution. Indeed, I shall be glad to talk about it myself, if I am allowed the time to do so. I would just like to tell the leader of the New Democratic party that he does not fare any better in constitutional matters than in housing.

Some hon. Members: Hear, hear.

Mr. Trudeau: We are very glad to take part in this debate. I mainly want to put statistics before the house and the country to stop all that talk about the housing crisis and its seriousness, in the light of the other priorities.

[*English*]

An hon. Member: Do you expect anybody to believe that?

Mr. Trudeau: I certainly cannot believe that and I could not deduce that from what the leader of the N.D.P. said, because there was not one word which indicated what was the crisis in housing. His whole speech was about the constitution of Canada. I welcome such a debate and we will have one whenever the ministers on this side and the leaders of

the opposition agree on a date. We have had one constitutional debate and we could have others.

We thought we were going to hear about housing today. I know why the leader of the N.D.P. did not talk about that. He could not substantiate his assertions that there is a housing crisis.

Let me begin with a brief quotation from the first paragraph of the report of the federal task force in housing and urban development which was tabled in this house on January 29, 1969. That paragraph in part states: "Canadians can rightfully claim to be among the best housed people in the world." This does not mean we think there should not be improvement. This does not mean we are not improving the situation. This does mean that it would be a mistake to say, as the leader of the N.D.P. said, that housing is the most pressing national problem facing this country. Let me ask members of the opposition whether, if they were to establish a list of priorities of an urgent nature in this country, they could honestly say that housing was the top priority? Does it come ahead of education, ahead of financial progress and development and ahead of equalization of opportunity for all Canadians? Does it come ahead of correcting regional disparity? Apparently it does.

Housing is a crisis area. Let us consider some of the facts as they are known to the country but apparently not known to members of the N.D.P. The Economic Council of Canada made some projections on housing units required in Canada. This is what the council said. It is clear that at the current rate of construction, with 197,000 units having been started in 1968 and 210,000 forecast for this year, the council's target will be met for the 1965-70 period.

The *Financial Post* of tomorrow's date has a lead article on the first page headed "Housing Off To A Strong Start". The article begins as follows:

Houses are being built at a frantic pace in Canada this spring despite a tight, expensive mortgage market.

If the growth of the first three months is kept up, it will take the housebuilding industry to the limit of its capacity in 1969.

• (2:30 p.m.)

Some hon. Members: Hear, hear.

Mr. Trudeau:

Housing starts for the first three months are up 47 per cent from the same period, in 1968.

This situation did not come about of its own accord. In 1966 and 1967 there was a shortfall in housing in this country. In order to improve the situation, this government last year and this year has done many things which have produced this greatly improving trend. In order to improve the flow of mortgage funds and to stimulate home-building in Canada, a number of legislative and policy actions were taken by the government in the housing field in the past two years. Among such steps I mention the automatic adjustment, after September, 1967, of the National Housing Act rate relative to the general interest structure, the Bank Act changes in 1967 which resulted in the re-entry of the banks into mortgage lending on a substantial scale, the increasing of the ratio for home ownership loans on new housing in March, 1968, and the raising of the maximum loan for apartment units for $12,000 to $18,000 in the previous month. In addition, Central Mortgage and Housing Corporation was authorized last October to reallocate to direct home ownership loans $170 million and to make 6,000 loans to merchant builders.

A direct consequence of these government measures was a large expansion in the mortgage funds provided by the institutional lenders. This expansion may be somewhat surprising in that it occurred against a background of steadily rising interest rates throughout most of the year, due in part to world-wide financial and monetary problems, in part to a resurgence of inflationary expectations which necessitated greater restraint on the part of the monetary authorities, and also because of strong competing demands for capital market funds. Despite such adverse conditions, the private institutional lenders increased their mortgage approvals by 27.2 per cent, from $2.1 billion in 1967 to $2.7 billion last year. In this total, the increased concentration on National Housing Act lending by the financial institutions showed the effectiveness of the new formula in stimulating National Housing Act lending; for all the approved lenders the increase was from $356 million, or 16.8 per cent of total lending in 1967, to $832 million or 30.8 per cent of total lending in 1968.

Government policies have increased the flow of mortgage money and this has meant a very substantial improvement in residential construction. Thus house-building reached a new peak in 1968, when nearly 197,000 dwellings were started, an increase of 20 per cent over the 164,000 starts in 1967. Housing starts exceeded completions, and the inventory of

127,000 dwellings under construction at the year end was 24,000 higher than at the end of 1967. Residential construction last year represented an investment of $2.8 billion, 18 per cent more than in 1967. In addition, National Housing Act loans were provided to finance construction of some 14,000 new hostel beds for elderly persons and students, compared with 6,000 beds two years earlier. While all types of dwellings contributed to the increase in starts in 1968, apartments and row houses, with a 36.5 per cent growth, accounted for most of last year's performance.

All regions and most metropolitan areas shared in the residential construction boom in 1968, the Atlantic provinces together showing the largest relative gain of 31.7 per cent. This was followed by the prairies, with an increase of 27.1 per cent, while Quebec had an increase of 23.2 per cent. A somewhat smaller but still significant increase occurred in Ontario where a year to year gain of 18 per cent was recorded. This year the exceptional performance in housing has continued and new starts in urban areas increased at a record annual rate of 227,000 units in the first quarter of 1969, up from the previous high of 196,000 units in the fourth quarter of 1968.

For all areas these rates imply that the good results of 1968 will be substantially exceeded this year, and it is evident that 1969 will again be a record year for residential construction in Canada.

Some hon. Members: Hear, hear.

Mr. Baldwin: Except for the people who need houses.

Mr. Trudeau: On the question of long-run national requirements, the report of the task force on housing and urban development suggested the need for a housing program of one million new housing units over the next five years, or 200,000 units a year. It is clear on the basis of performance to date that the current rate of construction is well ahead of meeting this target. With the implementation of many of the key proposals of the task force, an even greater part of our resources will undoubtedly be channelled into providing shelter for Canadians in all parts of the country.

It is important that a substantial proportion of those resources be invested in housing for low income families. The government is actively concerned in stimulating this kind of construction. Although different people can reasonably come to different conclusions about how much should be done and how long it should take to do it, it is nevertheless quite evident that the priority given by the federal government to its housing policy is now, as in the past, showing good results. So much for the present facts about housing in Canada. It is these facts which I ask the opposition and the country to test against their expressions of crisis.

An hon. Member: Why have a task force?

Mr. Nesbitt: Then why did Paul Hellyer resign?

Mr. Trudeau: Presumably, according to the leader of the New Democratic party, because of the constitution, not because of the housing crisis.

Some hon. Members: Hear, hear.

Mr. Trudeau: Let me talk a little about the current policies of the government, because the implication of the motion before the house is that the government is not dealing expeditiously with new housing proposals.

An hon. Member: Why don't you read your letters?

Mr. Trudeau: The present housing record, as I have indicated, is a good one, but it is good because of policy decisions the government has taken in the past. We are equally determined to press ahead as rapidly as possible with new policy decisions to ensure that the future housing record is even better. Hon. members will recognize that it is not appropriate for me to speak in any detail of the process of cabinet consideration of housing policies—

An hon. Member: Or possible.

Mr. Trudeau: Well, you will see them. As I was saying, Mr. Speaker, hon. members will recognize that it is not appropriate for me to speak in any detail of the process of cabinet consideration of housing policies, but in broad terms the issues which must be examined in the light of the report of the task force can easily be deduced. Hon. members will see if there have been any decisions.

Extensive consideration has been given to these issues since the receipt of the task force report. Federal housing policy inevitably touches upon many areas of government policy. It involves financial policy because of the level of interest rates and the provision of mortgage money, and because housing is one of the federal government's largest spending

programs and is consequently one of its highest priorities. It includes social policy because federal money helps to finance public housing for the poor, and for the clearing of slums. It involves research policy because federal money and expertise are being used to study the problems of urban development and low-cost housing.

• (2:40 p.m.)

Because the task force proposed many innovations, its report had to be examined thoroughly and thoughtfully by many ministers, who needed to know the implications of these initiatives for their own areas of responsibility. For example, the Minister of Finance (Mr. Benson) had to know how much these measures would cost. The Minister of National Health and Welfare (Mr. Munro) had to consider how the proposals on public housing would affect his welfare programs. I am describing, of course, the normal procedures of cabinet government: a minister puts his proposals to his colleagues and hears their views and comments. This is the only way to achieve sound and comprehensive policies which take into account differing points of view, regional considerations and the implications of particular proposals for other government policies and initiatives. It does take time, but I think it is time well spent.

Since receiving the task force report we have covered a lot of ground. The examination of the substance of the proposed amendments to the National Housing Act was virtually completed by the beginning of this month and since then the actual drafting of the amendments has been completed by the Department of Justice. The government will introduce these amendments into the house in the very near future. Indeed, Mr. Speaker, I believe that these amendments will be ready for placing on the order paper at the beginning of next week.

Some hon. Members: Hear, hear.

Mr. Trudeau: The amendments which will be offered at that time will, of course, deal with those matters which are essentially under federal jurisdiction.

Some hon. Members: Hear, hear.

Mr. Trudeau: Among the amendments will be:

Provisions to increase the flow of mortgage funds from private lenders;

Provisions to permit loan value ratios and limits to be established from time to time by the Governor in Council;

Provisions to extend the maximum amortization from 35 to 40 years;

Provisions to extend to existing housing generally the same terms as apply to new construction, except that the maximum loan on existing housing would be $18,000;

Provisions to amend the national housing loan regulations to establish the maximum loans for home ownership or rental at $25,000 and, for loans on existing housing at $18,000;

Provisions to approve a form of mortgage with a five year roll-over, but with monthly payments calculated on an amortization of at least 25 years;

Provisions to reduce the rate of mortgage insurance fees by 50 per cent.

There will also be measures to increase the activity of limited dividend housing companies and non-profit housing companies in meeting the needs of low income families and elderly citizens. It is proposed to amend the present provisions of the act, (a) to increase the loan levels on projects constructed by such organizations from the present 90 per cent of value to 95 per cent of value and, (b), to permit limited dividend companies to construct projects in hostel or dormitory form as well as the self-contained accommodation to which the present provisions of the act restrict them.

Legislation on other important housing questions requires further consultation with the provinces. This introduces another aspect of housing policy which is every bit as important as the details of the amendments to the National Housing Act, that is, the way in which the federal government deals with the provinces and municipalities in housing matters. Housing policy is a subject which does not divide neatly into three compartments corresponding to the various levels of government. Progressive, imaginative and sound housing policy and urban development require the co-operation and energetic enthusiasm of all three levels of government. It is absolutely essential that the federal government, before it launches into programs which could have important implications for matters within provincial jurisdiction, should consider these implications and consult closely with the provinces.

[*Translation*]

The Acting Speaker (Mr. Béchard): I am sorry to interrupt the Prime Minister, but his time has expired.

[*English*]

Mr. Stanfield: Mr. Speaker, may I request that the Prime Minister carry on? There is plenty of time for everyone and we would be glad to have the Prime Minister speak as long as he wishes.

Some hon. Members: Agreed.

Mr. Trudeau: I thank hon. members for the permission they have given me to carry on. I will stop at any point you say, Mr. Speaker. I think I may need another five minutes to get to the end of the facts and figures which I wish to give to the house.

As hon. members will have appreciated, the task force report contained a number of recommendations, at least 16, which have a bearing on the responsibilities of the provinces or municipalities. Some of these recommendations were entirely outside the responsibilities of the federal government, but certain others affected the responsibilities of both the federal and provincial governments. It is this latter category which has had to be considered in working out a new federal policy.

There is the very important and basic question, for example, of whether the federal government should lend money for housing, for land banking or other purposes directly to the municipalities, or whether this should be done through the provincial governments. Because municipalities are within provincial jurisdiction, many provincial governments feel strongly that their priorities might be upset if the federal government dealt directly with the municipalities. Let me say for the record that this does not only apply to only one province. A high proportion of the provinces made such objections. I do not know whether the constitutional theories of the New Democratic party would give this kind of special status to only half the provinces and not to the others. It may be that that party is not prepared to grant special status to those provinces which never have had and will never elect a member of the New Democratic party, but this may be true of an increasing number of provinces.

Some hon. Members: Hear, hear.

Mr. Baldwin: How about electing people who voted for the New Democratic party once?

[Mr. Trudeau.]

Mr. Trudeau: If, on the other hand, money is lent to provincial governments, is it not desirable and necessary to ensure that reasonable conditions are established for the use of that money, and that the ultimate beneficiary has some idea of the source of the money? And can these reasonable conditions be established without reasonable consultation?

On these and other related matters the government has already held important discussions with the provinces. Further discussions will be needed on other aspects of housing policy which affect substantially the priorities and objectives of provincial and municipal governments. We must do all we can to work together at all levels of government to achieve the basic goal which is and must be the provision of reasonable housing for every Canadian.

I have described the way in which we are dealing with a practical problem in a field where responsibility is shared among the different levels of government and which therefore requires close and continuing co-operation among them. This is our approach to federalism.

There is, I know, another point of view concerning Canadian federalism which is genuinely and sincerely felt by some Canadians. It goes something like this. There are times when problems which are largely within provincial jurisdiction, such as housing and urban development, become so serious and so widespread that they seem to be, or do indeed become, national problems. This may be because of neglect on the part of the provinces of their responsibilities, it may be because technological change has made something which once was local in character a truly nation-wide question, or it may be that something which is and ought to be within provincial jurisdiction can only be solved by joint federal-provincial action. Whatever the cause, this view of federalism runs, once a problem has become nation-wide in scope, once it has become a national problem, parliament ought to be able to act, to legislate, to spend, to lend, to start shared-cost programs, regardless of what the constitution says about provincial jurisdiction and regardless of the reaction of provincial governments. Why? Because parliament is the only body which represents the nation as a whole and is therefore the only body which can deal with problems on a national basis.

• (2:50 p.m.)

I can understand this point of view, although I do not share it I can understand it,

and I can sympathize with the desire of the people who share it to get on with the problems as they see them without regard to the constitution. But what this really amounts to is the view that parliament ought to be able to transfer matters from provincial jurisdiction into federal jurisdiction whenever parliament, in its judgment, decides that a problem within provincial jurisdiction has become national in scope. And it means that parliament ought to be able to make this transfer of jurisdiction on its own initiative and by its single-handed action. If one wanted to be harsh one would say that this view amounts to saying that parliament ought to be able to amend the constitution unilaterally, without reference to the provinces whose jurisdiction is being changed.

The trouble with this view is that it is not really federalism. In many ways it is much more consistent with the operation of a unitary state. And a unitary state simply will not work in Canada. Theoretically—and I suggest that this is the view which is theoretical, not mine—a unitary state enables a country to deal with problems more quickly, more directly, more simply, as they arise. But if it means breaking up the country, what kind of efficiency is that?

Some hon. Members: Hear, hear.

Mr. Trudeau: Surely we have learned that society and government must play the game according to the rules of the game. If we do not, then everyone will make up his own rules as he goes along. Some of them may be better rules, but if we have two sets of rules, or eleven sets of rules, we will have first suspicion, then friction, then disruption of the social order, and finally anarchy.

An hon. Member: Revolution.

Mr. Trudeau: You are always afraid of revolution. We hear a lot of talk from the other side—

An hon. Member: You alarm me.

Mr. Trudeau: I can see that you play by many sets of rules.

Federalism has its advantages but it also has its costs, as does everything in life. The cost to the Leader of the Opposition (Mr. Stanfield) is having such members as that in his party.

Some hon. Members: Hear, hear.

Mr. Bigg: We were looking for you in 1942.

Mr. Trudeau: Federalism gives us a country, it gives us a rich and diverse society, it gives us a degree of freedom which is to be found in pluralistic communities. But it does mean two orders of government; it means working together in solving some problems, and sometimes it means we have to change the constitution to keep it up to date and give to the federal government and to the provincial governments the new roles which are called for in this society.

I am afraid I shall not have time to go into the details of this debate, some of which were mentioned by the leader of the New Democratic party. All I can say is that the constitutional conferences which began in February of last year are going on as rapidly as the provincial governments and the federal government can make them go on. If the leader of the New Democratic party accuses me of hiding behind the constitution, let me remind him and this house that his was the party which for some years goaded the government side into dealing quickly and urgently with the constitution. At that time he felt this was the most urgent problem. Today it may be some other crisis. They go from crisis to crisis over there.

Some hon. Members: Hear, hear.

Mr. Trudeau: I need only a few more minutes in which to finish, Mr. Speaker. I do not wish to abuse the indulgence of the house.

This view of federalism does not imply a lack of federal leadership. Federalism means strong provincial governments and a strong federal government each in their respective fields.

Some hon. Members: Hear, hear.

Mr. Trudeau: It does not mean a federal government which asks the permission of provincial premiers every time it wants to act, nor which capitulates in the face of provincial demands, whether fiscal or otherwise. It means broad enough constitutional jurisdiction for parliament to enable the government of Canada to act in the interests of the country. On the other hand, this view of federalism does not mean subordinating provincial governments to the will of the government of Canada, whenever, or even if, it would seem to be more efficient to do so. Nor does this view of federalism mean some fuzzy two-nation theory under which two unitary states Canada and Quebec, would somehow heal the wounds of separation and reconcile both old and new-found differences in an

effort to create the appearance of a single association.

The demands of leadership in Canada are made more difficult because we live in a federal state. Leadership is required both in solving the nation's current problems and in making sure that the constitution and the machinery of federal-provincial relations are in good working order. Unless we pursue both objectives we shall not be able to deal with housing, pollution and so many other matters which affect the daily lives of all Canadians.

Every federal government and every federal prime minister in Canada's history has been called upon to provide that kind of leadership. That is the kind of leadership which this government intends to give the people of Canada.

Some hon. Members: Hear, hear.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, despite the good will, even the sympathy, that I feel, I have to say that it is becoming almost impossible to take the Prime Minister (Mr. Trudeau) of this country seriously.

Some hon. Members: Hear, hear.

Mr. Stanfield: He rises in this house on an occasion such as this and pretends there is a need on the part of the opposition parties to document the existence of the housing crisis although the occasion of this debate is the resignation of the minister in charge of housing, the deputy prime minister of the country, the man in the best position to know the extent of the crisis and the weakness of the government's proposals to deal with it.

Some hon. Members: Hear, hear.

Mr. Stanfield: Do members opposite expect us to regard the deputy prime minister of the country as a man of so little intelligence as we are led to believe by virtue of the attitude the Prime Minister adopted here this afternoon? As to the discussion of the constitution, the constitution comes into the matter because of the effect the government's attitude toward it has upon its poor housing performance, and the view of the Minister of Transport (Mr. Hellyer) who has resigned.

I find it increasingly difficult to take the Prime Minister seriously. He talks about unitary government. Talk about red herrings! Who has proposed unitary government in this country, Mr. Speaker? The Prime Minister sets up a man of straw to knock down. He goes out west on one trip and slaps down the wheat growers, and to prove he is prepared to give equal treatment to all he makes another trip and insults the oil industry. When he thinks the time has come to regain the yards lost out there, he does what any red-blooded leader would do—he attacks the premier of Quebec. After all, it worked pretty well in the election of last June.

• (3:00 p.m.)

Yesterday he lost his seatmate and colleague, the Minister of Transport. That minister attacked the Prime Minister's concept of federalism and its bearing on the ability of the government to meet the many problems of the country. The minister resigned, so the Prime Minister went out into the corridors and attacked the opposition. If the Prime Minister had a wife and if he quarrelled with her he would go out and kick the cat. Ministers have resigned before, although I doubt that a resignation on principle has ever come so soon after a Prime Minister has been elected to power. The Minister of Transport says in effect that the government is not dealing with the bread and butter issues; it lacks initiatives in housing, pollution, inflation and urban development. What is left, Mr. Speaker? Agriculture? External Affairs? Defence policy? The Post Office Department? Are they doing anything right, Mr. Speaker? Are they doing anything at all? In fairness, they are working overtime to establish a study group to advise them as to what they should do about inflation.

The Minister of Transport indicated at his press conference that the Prime Minister has trouble in "comprehending fully the real problems of people in their day-to-day living". What greater charges of unsuitability could be brought against a Prime Minister in a participatory democracy? The report of the task force on housing was presented to this house on January 29. The recommendations were hardly earth-shattering. They did not involve quite as much as we were led to expect, but with the exception of two or three recommendations we endorsed the report of the task force as it held out some hope for material progress.

We said then, as we recommended during the election campaign, that a task force on housing should have had provincial involvement. Leaving this aside, there are recommendations in the report of the task force that the federal government can implement.

Many of them involve provincial consultation, but there are those that could be implemented directly.

The future of this country in terms of the quality of our life, Mr. Speaker, will be determined largely in the urban centres where 75 per cent of our people live. We have been reminded forcefully by the Economic Council of Canada of the appalling extent of urban poverty, yet we have in this house today a Prime Minister of Canada making what must surely be one of the most complacent speeches to the people of Canada regarding housing that it has ever been the misfortune of a Prime Minister to make. We know of housing conditions and the housing shortage. From time to time, the Prime Minister himself has acknowledged the danger of protest unsatisfied that builds into violence.

If the Prime Minister and the government cannot be convinced that these problems affect the heart and soul of the nation, that they are problems requiring federal action, then there is unfortunately very strong reason for pessimism.

During the election campaign last spring, the Prime Minister promised to establish in co-operation with provincial governments a program of national priorities for our cities. He promised to establish urban research centres in selected urban universities. He also promised to introduce a co-ordinated program to advance the techniques of urban mass transport. The time has long passed to honour those pledges. Certainly, it is time to bring in the legislation based on the report of the task force where it relates to the federal jurisdiction. Furthermore, this government should consult with the provinces as quickly as possible to see the extent to which, through co-operation, the other recommendations can be implemented and to what extent federal help may be required.

There has been no action on housing and urban problems because for the Prime Minister, according to the Minister of Transport, the constitution has become the great hang-up, the straitjacket, the impediment to progress. Yesterday, in his letter to the Minister of Transport accepting the latter's resignation, the Prime Minister said, and I quote:

> The platform on which our government was elected was clearly and emphatically a one nation platform, and it has not changed.

There he goes again, Mr. Speaker. It is that fellow Faribault who is not building the houses!

The Prime Minister might have been able to get away with that kind of political garbage during the election campaign, but it is a sorry way to try to meet the problems of governing this country. Now, we know how this "one nation platform" works in practice. We know because the Minister of Transport has given us the inside information.

The Minister of Transport confirmed what was apparent as long ago as February 14, when the Prime Minister said in this house, speaking of urban renewal, housing and urban transport:

> Until the constitution is brought into the 20th century in some of these respects, governments are to a large degree powerless to solve the problems either by acting alone or in co-operation with other levels of government.

I want you to contrast these two statements, Mr. Speaker. I want to call attention to the extent to which this statement constitutes a rationalization for doing nothing, that is to suggest under our existing constitution the governments of Canada are largely powerless to deal with problems such as housing, urban renewal and urban transport. If the federal and provincial governments over the years had taken that position, there would never have been any progress in this country. I repeat what the Prime Minister said a month or so ago:

> Until the constitution is brought into the 20th century in some of these respects, governments are to a large degree powerless to solve the problems either by acting alone or in co-operation with other levels of government.

Yesterday, the Prime Minister said in the corridor, "most of the fundamental issues in this country could be settled under the present constitution through co-operation between the federal government and the provinces." How can a Prime Minister who makes contradictory statements like these be taken seriously? A month or so ago the Prime Minister said it was virtually impossible to solve these problems under the existing constitution. Yesterday, he said most of the fundamental issues could be settled under the present constitution through co-operation. If the Prime Minister believed what he said yesterday, Mr. Speaker, and if the Minister of Transport believed that the Prime Minister believed it, he would not have submitted his resignation. The Minister of Transport resigned because, as he put it, the Prime Minister has a theory of federalism, "of ten virtually autonomous provinces held together by strings of a fairly weak government with its responsibilities largely confined to tariffs and customs and

the things that are enumerated under section 91".

So much for the one nation platform, Mr. Speaker, of which the Prime Minister spoke so much and which, as the Minister of Transport said, is not what the Canadian people had been led to believe it would be. The British North America Act will be with us for some time yet. Ways have been found for over 100 years to attack problems under the present constitution through federal-provincial co-operation. It is time for the Prime Minister to come back to earth. The country cannot stand still. Problems will not wait for the constitution to be reviewed or revised.

• (3:10 p.m.)

The constitution of this country has always created difficulties. But it has never been an impossible stumbling block and it is not one now if the Prime Minister will seek to co-operate with the provinces. There is more at stake here than the willingness of the government to act on housing, urgent and important though housing is. What is at issue here is the willingness of the government to act at all to meet urgent and emerging problems such as those referred to by the Minister of Transport which include problems of pollution and inflation.

Let us be perfectly clear, Mr. Speaker. The Minister of Transport is saying, in effect, that the reason we have not had an adequate housing policy in Canada—and he resigned because of this—is that the concept of confederation the Prime Minister has imposed on the cabinet does not allow the federal government to deal effectively with the modern problems facing this country.

Some hon. Members: Hear, hear.

Mr. Stanfield: Presumably, that concept of the federal system is too rigid and too narrow to allow Ottawa to act effectively to solve problems of pollution, inflation or other similar problems. We had known that there had not been action, but we were told that action would come. Now, the man who sat in the house as the principal lieutenant of the Prime Minister, and who was the Deputy Prime Minister of Canada, suggest that the inaction of the government is not due to delay but, instead, to design. He has suggested that the government has no intention of acting.

The Minister's resignation raises serious doubts about the plans of the government for the country. We have been told that long

range plans are being launched and developed in the Privy Council office and that we are hovering at the very edge of an exciting time of action. We might almost call it phase two, Mr. Speaker. The myth has been spread that there is a united and modern government plotting a new course for Canada. If that myth has not been exploded it has at least been badly shell shocked.

I want to end by saying that the minister who has resigned has a record of service in government. He had the courage and the ability to translate ideas and concepts into reality. While hon. members on this side of the house sometimes, indeed frequently, disagreed fundamentally with his concepts, nevertheless there was never any lack of admiration for his energy and for the ability he applied to the programs he was attempting to implement.

Some hon. Members: Hear, hear.

Mr. Stanfield: He served honourably and faithfully in the governments of three prime ministers. He entered public life as a young man, and he is a young man still. Whether he is in politics or out of politics, I sincerely hope that our country will continue to benefit from his dedication and service. His resignation at this time brings discredit to this government, which is the poorer for it.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, we listened carefully to the remarks of the leader of the New Democratic party (Mr. Douglas), of the right hon. Prime Minister (Mr. Trudeau) and of the Leader of the Opposition (Mr. Stanfield).

This sub-amendment moved by the New Democratic party is to the effect that, and I shall have to quote it in English because I was only given the English version of the motion:

[*English*]

—for the purpose of discussing a specific and important matter requiring urgent consideration, namely the resignation of the Minister of Transport because of the failure of the government to agree to take action to increase the housing supply in Canada,—

[*Translation*]

As was so well said by the Prime Minister, the leader of the New Democratic party talked about a lot of things, except housing. The Prime Minister blamed the leader of the New Democratic party for not quoting figures. I intend to provide the Prime Minister with figures which speak for themselves and

which do not come from us but from conclusion resulting from serious studies of the housing crisis.

The Prime Minister told us earlier that he was not aware of any housing crisis in Canada while the Minister of Transport (Mr. Hellyer) resigned because of the housing crisis which the Prime Minister refused to cope with and which the members of the cabinet did not want to be concerned about.

These statements are therefore contradictory. If the Prime Minister is convinced of what he says then I invite him to come along with me.

I shall take him to places all across Canada where there is at the moment a housing crisis.

The Prime Minister may very well say that we have built 200,000 houses, 197,000 houses, and so on, but the fact remains that in Canada we have 5,500,000 housing units while we have 5,700,000 families. This means that at the moment, we are short 200,000 housing units. Furthermore, there are 500,000 dwellings which are nothing more than sheds in which families, human beings, have to live.

We could tour the whole country, we could visit various parts of Montreal where we would see people who literally live in sheds that we would not consider suitable for dogs. Children are almost devoured by rats and the Prime Minister rises in the house to tell us very seriously that there is no housing crisis in Canada. When the Prime Minister makes such a statement, he acts like a joker. I could say something else, but I will leave it at that.

Mr. Speaker, there are 500,000 defective homes. For 10 years, there has been talk of replacing slums by decent homes for men, women and children. Families of 10 or 12 people have to live in three rooms. And that not in Egypt, China or in the constituency of Mont Royal, but in the cities of Montreal and Hull.

As a matter of fact, let us talk about the city of Hull, Mr. Speaker. One has only to look at the other side of the Ottawa river to see what people put up with over there. The hon. member for Hull (Mr. Isabelle) left the house when he heard about his city.

Mr. Speaker, the Prime Minister just said there is no housing crisis in Canada.

A thorough study on housing was made by the Canadian Conference on housing, which went through the report submitted by the Federal Task Force on Housing. Now, on January 30, the following was published by the Canadian Conference, and I quote:

• (3:20 p.m.)

[*English*]

The federal task force on housing report offers nothing concrete for the housing needs of the more than one million Canadian families with incomes below $5,500—

That was well established by the Canadian Conference on Housing.

[*Translation*]

Mr. Speaker, the Prime Minister has probably not seen that report.

I go on with the quotation:

[*English*]

—the first concern of government must be the people of low income whose housing needs are greatest.

[*Translation*]

The Prime Minister has taken no notice of this report.

If he has only read the report of the architects of the town of Mount Royal, in Montreal, he must have noticed that these people do not earn $5,500 a year. Consequently, he could not learn that there was a housing problem. Yet, this problem does certainly exist whether he admits it or not.

Now, what were the recommendations of this commission? I have here a statement made after all these studies by Mr. Albert Gagnon, a former president of the Association of housing contractors of the district of Montreal. What did that man who knows about construction and housing say? He said, among other things, that an increase of 1 per cent in the interest rate on a small $15,000 house during a period of 25 years would increase the payments by $9 a month, that is an increase of $108 a year.

Then, the construction of a family dwelling is practically impossible for the time being, because the worker who earns $5,000 cannot buy his own house.

Mr. Speaker, with due respect to the constitution of the Prime Minister and the competence of the governments, what did Mr. Gagnon recommend? Here it is:

Immediate decrease of the interest rate for the loans granted by the C.M.H.C. to people whose income is $10,000 or less a year;

Decrease of the interest rate. I read further:

Removal of the 11 per cent sales tax on the building materials that are used for housing;

A capital gains tax on profits from the sale of land in order to discourage speculation;

Repayment period of mortgage to be extended from 25 to 40 years;

I do not quite agree with Mr. Gagnon on the last point. I continue quoting:

Income tax legislation to be amended to allow small owners to deduct municipal and school taxes from their taxable income.

It is logical. If $5,000 worth of materials are needed to build a house, the federal government receives $550 which increases the cost of construction. Then the Quebec government levies an 8 per cent tax on the increased cost. We have reached the point where taxes are taxed, and then we have the nerve to ask why there is a housing crisis. There is no end to the taxes we have to pay.

The Prime Minister knows full well that to build a house costing $5,000 in material, the buyer would have to spend $994 to pay the 11 per cent federal tax and the 8 per cent provincial tax.

Mr. Gagnon also made recommendations to the provincial government. But I shall leave it to the premier of Quebec, Mr. Bertrand, to deal with the taxes in that province. Let us take care of those for which Ottawa is responsible.

Mr. Speaker, Controller Allan Lamport, a former mayor of Toronto, a fairly competent man, I believe, said this on January 9th, and I quote:

[*English*]

Transport Minister Paul Hellyer's study group on housing is the "biggest whitewash I've ever seen" Toronto Controller Allan Lamport said yesterday.

[*Translation*]

Mr. Lamport added, and I quote:

[*English*]

The banks were given special treatment—

[*Translation*]

There is opposition to granting special treatment to the workers, to paying them such salaries as would enable them to own something, but—

[*English*]

The banks were given special treatment with the ceiling lifted from 6 per cent to unlimited, but the mortgage rate soon will be 9 or 10 per cent.

[*Translation*]

That was in January. It is now 10 per cent.

Mr. Speaker, that is what Mr. Lamport had to say about interest rates that keep people from building a house. This increase in interest rate was allowed under the pretext that it would check inflation, when in fact it spurs it on directly.

When you reduce the purchasing power of the Canadian citizen, it is clear that you contribute to inflation. That is exactly what the government is doing, for instance, by allowing chartered banks to increase their interest rates to excessively high levels, thereby keeping the ordinary Canadian citizen from owning something and feeling at home in his own country, Canada.

Mr. Speaker, here is a testimony from the C.N.T.U. The minister who, at one time, was president of the C.N.T.U. in the province of Quebec, should remember the days when he was the defender of the working class, the defender of the small wage earner, the defender of the humble Canadian people. Here is what the C.N.T.U. has to say in an article entitled: "One word to qualify the Hellyer report on housing", and I quote:

Were your government to enforce its recommendations, it would only serve to strengthen the foundations of this unjust society of ours: no suggestion likely to solve the housing problems of the low and even medium income range of citizens, encouragement given to lifelong indebtedness (a suggestion tending to extend the repayment period)—

As the Prime Minister just told us, we will now give 40 years, instead of 35, to repay loans.

• (3:30 p.m.)

Let us imagine a 45 year-old Canadian, a worker from the Canadair plants in Montreal, Brantford, Toronto or Regina. He buys himself a nice little house—under the plan suggested not so long ago by the Prime Minister—incidentally, we should see it in the White Paper, next week—intending to pay it over a period of 40 years. When he finally owns a house, in his own country, he will be 85 years old.

The Prime Minister tells us that his government treats the Canadian workers generously. His government, as well as the previous one, has always treated foreign countries more generously than Canadians who have built Canada at the sweat of their brows and who are still able to do so.

This does not mean that we object to helping others but it is high time, I believe, that we should think of our own people here, of those who are still willing to work in order to develop Canada.

Mr. Speaker, the C.N.T.U. brief added and I quote:

—praise for the efficiency of private enterprise in a sector where social needs are overwhelming and where private enterprise has failed—

May I point out to the C.N.T.U. that private enterprise has not failed; it is the government that has failed miserably, to build, housing for the Canadian people.

Private entreprise exists, but the Prime Minister does not wonder whether there are nails, wood, contractors, carpenters, architects and engineers ready to build dwellings in Canada. No. He wonders if we have any money.

Mr. Trudeau: No, but there is a constitutional authority!

Mr. Caouette: Mr. Speaker, I agree with the views stated a while ago by the Leader of the Opposition: when the people's interests are at stake, should we always stumble over constitutional terms? If we have all the requisites for construction, should we remain inactive, because the constitution has not yet been amended?

For the last fifteen years, we have heard about the constitution and we have seen men of good will fight blindly.

During the last electoral campaign, the Leader of the Opposition came to Quebec to talk about the "two-nation concept", thus creating discord among Canadians.

The leader of the New Democratic party also came to Quebec to declare "You poor Frenchmen, you need a special status".

Mr. Speaker, I am a Canadian from the province of Quebec. I speak French. It is my mother tongue. I want it to be respected all across Canada. I say that Quebec is like all the other Canadian provinces, even though our needs are different.

I was in Calgary last week—one week after the Prime Minister was thrown a few tomatoes. I visited Alberta and British Columbia, two neighbouring provinces where existing problems are not similar. In fact, every province has its own particular problems and one certainly cannot say that Saskatchewan and Alberta are faced with the same problems. Wheat sales are indeed a common problem, but as far as political ideologies are concerned, it is an entirely different matter.

My hon. friend from the New Democratic party was prime minister of the socialist province of Saskatchewan for 17 years. There were federal-provincial conferences at that time when the Right Hon. Mackenzie King was prime minister of Canada. Some took place during prime minister St. Laurent's time.

What did the former premier of Saskatchewan achieve in regard to federal-provincial conferences or federal-provincial problems?

He has done almost nothing. And yet, he was premier of Saskatchewan for 17 years. His province was different from Manitoba. Manitoba is not like Ontario. Ontario is different from Quebec. All provinces are different.

In Newfoundland, the problems are different from those in New Brunswick, where farmers have to deal with the marketing of their potatoes.

As the Prime Minister says, we must establish in Canada a constitution which will respect the identity peculiar to each of those provinces.

The Canadian constitution must be improved in such a way that an economic context could be developed in which each province could have its own way. In doing so, the identity of each province would be respected, for we do not need two nations, special status, this or that.

We sincerely believe that the huge country we live in can serve the whole nation. That is why, Mr. Speaker, the Ralliement Créditiste suggests that the Prime Minister make the funds of the Bank of Canada available to the provinces and let them assume their responsibilities in the field of housing.

This would not go against the constitution, and the Prime Minister does not have to change it in any way for that purpose. Nothing prevents the government from putting a branch of the Bank of Canada at the disposed of the provinces, so as to enable them to build more houses for Canadians.

Mr. Speaker: Order. I must interrupt the hon. member, as his time has expired. Unless he gets unanimous consent from the house, he cannot proceed with his remarks.

Some hon. Members: Agreed.

Mr. Caouette: Mr. Speaker, I thank my colleagues for allowing me to go on with my remarks. I do not want to abuse of their generosity, but in concluding my remarks, I want to call the Prime Minister's attention to the recommendations made some time ago in Belgium by a well known economist, Mr.

Gaston Bardet, dean of studies at the Higher International Institute of Applied Town Planning, in Brussels.

Here is what Mr. Bardet had to say:

As a result of outside financing by the banks, which issue advanced scrip money, operations and production soar at a rate exceeding the real purchasing power, which is now ignored. As a result, there is a productive hysteria, with the alternatives of unemployment or war, for the destruction of the goods that glut the market.

Therefore, there exist for financing two entirely different solutions: one through savings and the other, through projections, the self-regulation of which should come from supply, from existing surplusses, in the first case, from demand, from essential needs in the second case.

Bank financing is altogether appropriate for construction and capital equipment, beneficial to the entire country. For, in that case, no overproduction is to be feared.

It is really demand which determines the issue; it is the need for housing, roads, bridges, hospitals, schools which now become the regulator of advanced scrip money, so dangerous in its anticipations, the machinery of which must now be set forth. How are we to build annually the 200,000 houses that people are clamouring for?

Their problem is the same as ours. They also need 200,000 houses. The quotation goes on:

Let us resort to the machinery used by the bankers themselves—

He indeed refers to the bankers themselves and not to the floor sweepers or those who empty the spittoons. Let us ask them.

What does a bank do when it wants to erect a building? Does it borrow from another bank? Certainly not.

It credits an amount to a current account in its own name, on which, needless to say, it pays no interest. It purchases the land, pays the builders with cheques that are guaranteed... by the building itself. It thens collects rents and, after some thirty years, the money paid in balances the initial amount credited.

• (3:40 p.m.)

The Minister of National Revenue (Mr. Côté), who is talking with his neighbour, does not understand anything about these matters. It would perhaps be wiser for him to listen, because his electors understand the problem and this might be dangerous for him in the next election.

Mr. Côté (Longueuil): That no longer exists in my district because Social Credit is dead.

Mr. Caouette: Mr. Speaker, I shall go on with my quotation:

The operation is cancelled, but the bank keeps the building which it now owns without having spent a single cent. Except, as you will probably say, for the cost of entering the amounts paid out or received on one sheet of the ledger under Debit and Credit.

Thus, the bank, because of the modern form of credit using scrip money, based on the belief in its eventual solvency, was able to create sham money and convert it into bricks, the most tangible thing, with the cheques issued losing their currency at the end of thirty years when the magic operation is over.

To create and then destroy sham money which had a legal value during a short period, such is in fact the extraordinary privilege of the bank system, brought into the open by the parliamentary surveys of the British government... and of the Canadian government—

Mr. Speaker, this is exactly the situation in which we find ourselves.

If we let the banks operate for their own benefit, as I have just said, why would the government not introduce some legislation that would provide for interest-free loans or for loans bearing an interest just covering the operating costs. The Canadian worker could then build a house and find the money to pay for it. He would not have to pay, for instance, as is now the case, $84,000 per unit. If somebody buys a $24,000 house, he can say he has paid for it, not $24,000, but rather $84,000; as a matter of fact, a $20,000 30-year mortgage at 9⅜ per cent costs $60,000 in interest, which brings the total cost of the house to $84,000.

We do approve credit in our system. Let us go on since this is what the Prime Minister suggests—paying a 9⅜ per cent interest, not only for 30 years, but for 40 years, which means that an ordinary house would cost, not $20,000 or $24,000, but over $100,000.

Mr. Speaker, it is a crying shame to see that in Canada such an administration is being tolerated because people are afraid to protest against a monetary system which fleeces everybody.

But we of the Ralliement Créditiste shall go on fighting until the little man gets his house, the Canadian family has suitable dwellings, until the monetary system really serves the Canadian people, rather than the Canadian people being at the service of the monetary system, as is the case under the present administration.

[*English*]

Mr. David Lewis (York South): Mr. Speaker, I should first like to say, if I may in the absence of the Prime Minister (Mr. Trudeau), that I have not seen him so animated since he became Prime Minister as he was today. Apparently, the crisis created by the resignation of the Minister of Transport (Mr.

Hellyer) hit him a great deal harder than he appeared to suggest. I was very pleased to see him so animated. I listened to him with more attention, even though I did not agree with him to any greater extent.

The first point I want to make is that all of us in this house other than the Prime Minister, and I hope he is alone in his party in this respect, knew that there was a housing crisis; not because we created it but because every description of the housing situation in Canada today from the Economic Council of Canada to the task force report in January emphasized this housing crisis. The Prime Minister was the only person who did not know about it.

Because the Prime Minister did not know about this situation he did with statistics what is often done with them. However, he was no more revealing in his use of these statistics than some of the rest of us who do this kind of thing. During the course of his speech he emphasized quite rightly that 1966 and 1967 were years during which there was a real shortfall in housing. I do not have his text before me, but I am confident that is what he said. He then proceeded to compare the results of 1968 with those two years during which there had been a shortfall. That is the kind of statistical legerdemain I suppose all of us in politics practice, but it really does not enlighten or illuminate the situation.

The fact is that if there was an improvement in 1968 in housing starts, as there was, it was only because the performance in 1966 and 1967 was so dismal. If you start with a very low rate then, of course, your rate of increase is very high no matter what the performance. What is much more important and what I suggest to you, Mr. Speaker, is indicative of the lack of concern of this government and of this Prime Minister is that his comparison of the number of housing starts had no conscience at all as to the kind of housing being started, about the price of homes being built, about rents being paid for apartments, about the cost of building houses or about the simple fact that a large proportion of those houses started in 1968 and 1969 were available to only 5 per cent of the population. That is sheer lack of social conscience, and I make no apology for putting it this way, on the part of the Prime Minister who rose in this chamber to say he was not aware of a housing crisis and then quoted figures which in no way touched upon the real problems and the real needs of 95 per cent of the Canadian people.

What are some of the facts about the situation, Mr. Speaker? If the Prime Minister were a little more humble and a little more concerned about the welfare of the people, he would have admitted these facts. He then might have argued that he was trying to do his best. To refuse to admit them is to me disgustingly shameful on the part of a leader of a country such as Canada.

The facts are that the Economic Council of Canada said we should have a minimum of 200,000 housing units; that in 1965, we had 165,000, 35,000 short; that in 1966 we had 134,000, 66,000 short; that in 1967 we had 164,000, another 36,000 short and that in 1968 we came near the 200,000 mark. Even in those four years from 1965, there was a shortfall of roughly 150,000 units. Those are the facts we have to face.

What are the other facts? As the hon. member for Témiscamingue (Mr. Caouette) pointed out, there are 500,000 substandard housing units in Canada. He pointed out that there are homes, and I do not like being maudlin about these things, in which children sleep in beds which are not fit for animals. They are being bitten by rats during the night. Stories of this kind of thing appear in newspapers all across the country. There are homes in this country which accommodate 8, 10, 15 people which are not fit for animals and should not accommodate, in any event, more than two people. There are homes in this country in large numbers—tens of thousands, if not hundreds of thousands—which do not have modern plumbing, which do not have electricity, and some of which do not have many of the other amenities of modern living.

There are 400,000 families in Canada today sharing accommodation, and in the cases where this happens the accommodation is not adequate for one family. There are 100,000 families across Canada on the waiting lists for public housing. In the metropolitan Toronto area alone, there is a waiting list of over 16,000. These are the facts. I repeat to the right hon. Prime Minister, he can make a defence if he likes, but he has no right to mislead himself and the Canadian people about the sorry state of the housing situation in Canada today.

What are some of the other relevant facts? It is a fact that the cost of housing in Canada since 1964 has increased annually at a rate of about 10 per cent. It is a fact that land prices have gone up from 200 per cent to 500 per cent in a short number of years. It is a fact that rents have skyrocketed and there is not a

family in any apartment dwelling in my constituency, with the exception of those very fancy families in fancy apartments, which does not feel the increase in rates eating into the available funds for food, clothing and the bringing up of children. These are the facts.

The fact is that in respect of public housing in Canada there are only 40,000 units, about ⅔ of 1 per cent of total housing starts in Canada. Those are the facts the Prime Minister and the government have to face. Those are the facts the Prime Minister did not mention. Instead of that, he cited figures which are literally irrelevant to the situation in respect of a large part of the Canadian people, although they may be relevant to the total situation.

The Central Mortgage and Housing Corporation issued its report for 1968 and at page XIV we find a statement I should like to draw to the attention of this house with the hope that the Prime Minister will read it, if he has not already had it drawn to his attention. This report says, at the page I have mentioned:

• (3:50 p.m.)

However, the likelihood is that a program as high even as 250,000 units per year would not create a sufficient stock within five years to bring an end to over-crowding, doubling up, and the continued use of deficient dwellings.

Even 250,000 units per year would not really touch the housing crisis of this country. The price of homes and the high level of rents is a problem that remains even if the total housing stock is increased. It is with this knowledge of the crisis, the knowledge of these relevant facts, relevant to the lives of Canada's people, of Canada's old, Canada's young and Canada's new families, that my leader dealt with the constitutional problem. No matter how many words the Prime Minister may use here or elsewhere, he has encased himself in a constitutional strait-jacket. Since he is the leader of the country he has, therefore, encased the country in a constitutional strait-jacket. Like every rigidity of this sort which is imposed upon a dynamic and flowing situation within a country or a society, it is inconsistent; it just is not so. Whatever the Prime Minister has said is contradicted by something else that has happened.

For example, even today he made a great point, if I understood him correctly, about the question of making funds available for the assembly of land by the municipalities. Says he, do we do it directly with the municipalities or do we do it through the provinces? Heavens above, what is he talking about? The fact is that in section 35 of the National Housing Act we have provision for public housing and in another section we have provision for urban renewal. The plan has to be arrived at in consultation. The federal department has to approve of it or it will not be put into effect. Of course the provincial government enters the picture in channelling the funds and paying its 10 per cent, in most cases, or 25 per cent, whatever it may be, of the balance that has to be paid after the federal funds have been allotted.

I cannot think of a more picayune attitude—I say this as a person who has great respect for the Prime Minister's intellect even though I have not for his concern for the welfare of Canada—than to raise the constitutional problem on this point. Who, in heaven's name, cares whether the funds go through Queen's Park to Toronto or directly to Toronto? I do not. If it makes Mr. Robarts happier, I do not care if it is done that way, as long as the people who want public housing and want to be able to buy land at a relatively decent, honest price, instead of the usurious prices which they have to pay now, are able to do so.

It does not matter how the federal funds get to the party assembling the land. If the Prime Minister, by stating that example, is trying to tell members of this house that this is so great and tremendously difficult a problem that he has been unable to persuade the provinces to agree where the cheque is to go or how the funds are to be funnelled to the municipalities, I simply do not accept that statement; I would have to think that every provincial premier is devoid of any intelligence at all. I do not think they are the most brilliant men in Canada, any more than I am or anyone else is, but, by gad, they are not unintelligent.

I cannot believe that the Prime Minister, making an honest and conscientious effort to solve that picayune problem, would not have succeeded by now. To attempt to tell us that is the problem is to throw sand in our eyes and throw an argument into the conversation that is not there.

The words of the Prime Minister with regard to the constitution, I say to hon. members and to anyone else who is interested, even though today, he used words very carefully to indicate that he was not thinking of less federal-provincial co-operation, made me shudder for the future of our country. He

emphasized in several places that it is impossible for the federal government to do anything unless—I am not quoting him, but this is what it meant to me—it has the unanimous consent of all the provinces in Canada. This is what the Prime Minister implied by his words.

If that were true, we would not have unemployment insurance in Canada; we would not have hospital insurance in Canada, there would not be a medicare plan on the statute books of Canada; there would be no Canada Assistance Plan; there would be no old age pensions in Canada. This is the fear we have. This is what we are talking about. We are saying to the Prime Minister that the constitutional strait-jacket in which he has put himself, this attitude that the division of powers in the British North America Act means that you must not step over the line even though you may do it constitutionally—no one is suggesting it be done unconstitutionally—immobilizes the federal government, immobilize this parliament and renders Canada weak.

The kind of federal government for which the Prime Minister stands—I said this a year ago; my party said it a year ago—is a weak central government which merely presides over conferences and meetings. It passes some laws if it gets the unanimous consent of the provinces, but takes little initiative; says "please", "maybe" from time to time, and if the provinces frown, runs away. That is not leadership in this country on the issues that require leadership. In the whole discussion by the Prime Minister of the constitution he is constantly speaking in legalistic terms about the division of powers. I have never heard him talk about the responsibilities of the various legislatures. I, who am a federalist, who believe in Canadian federalism, who believe that Canada cannot possibly be a unitary state, that it is stupid to talk of one, say without any qualification or hesitation that this parliament is nothing if it is not the expression of the needs and the will of all the Canadian people. The federal government is nothing if it does not accept the authority and power to act for all the Canadian people.

Some hon. Members: Hear, hear.

Mr. Lewis: That means precisely, to use the Prime Minister's words, that when a local problem has by the passage of time become a national problem, it becomes the responsibility of the federal parliament and the federal government to act. Since housing, pollution, urban transportation and all the total complex of urban life in Canada are now national problems, it has become the duty and responsibility of this government and this parliament to act on them.

Mr. Winch: For the general good of Canada.

Mr. Lewis: Yes, for the general good of Canada. No one suggests that the federal government take action on housing without consultation with the provinces. No one in this house or outside this house who knows anything about the subject is that stupid. No one suggests that the federal government have a program that is not arrived at after constant consultation with the provinces. I remember suggesting a year ago at a meeting of the New Democratic party where a colleague of mine, Mr. Douglas Fisher, was nominated for the last election, that there ought to be a permanent secretariat, as I called it, or a permanent national urban council, as we have since called it, on which there would be representatives of federal, provincial and municipal governments. In this way there would be constant and continuing co-ordination of plans and programs, not only in the making of them but in their implementation.

• (4:00 p.m.)

No one is suggesting that the provinces should not be consulted. No one is suggesting that the federal government go over the heads of the provinces. What we are saying is that the federal government must take the initiative to start solving national problems. Some of them it must solve because it is the duty of this parliament to act, whether or not all the provinces agree, and some of them it must solve when most of the provinces agree and one or two provinces decide to stay out. That is what we are saying in the New Democratic party.

The Prime Minister's fallacy is that he always speaks about this legalistic division of powers and never about the responsibility of the federal parliament and the federal government. It would be impossible for the Prime Minister to persuade me, or even to persuade a member of the Liberal party, that the Minister of Transport resigned from the government because housing in Canada was doing so well that his efforts were no longer needed in this position. No one can persuade me or anyone else in the house that the resignation of a man from such an important office, of a man who held the office of Acting

Prime Minister, was not caused by frustration and failure to carry out what he felt had to be done in the field in which he was given responsibility. I do not happen to be a great follower of the Minister of Transport, and I do not happen to think very highly of the task force report which he produced. I do not agree with his totally free enterprise approach. I do not admire Mr. Hellyer, as a house builder, being so chummy with that less desirable element in housing. I do not happen to be an admirer of his, but that is irrelevant to the strange situation that the relatively conservative Minister of Transport could no longer accept the conservatism of the present Prime Minister of Canada.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member but his time has expired. Is there unanimous consent to allow the hon. member to continue?

Some hon. Members: Continue.

Mr. Lewis: I thank the hon. members for allowing me to continue. I only have a few more sentences to complete what I wanted to say, and this is the only reason I am taking advantage of the kindness of the house.

My leader dealt with the constitutional problem mainly because this was the reason the Minister of Transport gave for his resignation. Indeed, our motion emphasizes the resignation of the minister. We are not merely debating the question of housing, important though that subject is in this debate, but we are also discussing the government and the inaction of this government. It is a debate about the constitutional immobilisation of this country by the Prime Minister. That is what the debate is about. It is a debate about the lack of initiative and leardership of this government in the entire urban problem. I do not have to remind this house about the importance of this problem. Some 50 per cent of Canadians now live in about 18 municipal urban areas of this country. Over 70 per cent of the Canadian people now live in urban areas, the smaller as well as the larger ones. In about five years, our statisticians tell us, over 80 per cent of our people will be urbanized, and in about 20 years 85 per cent to 90 per cent will be urbanized. These housing problems, these transportation problems and these pollution problems will multiply as the growth of our cities and towns continues. If the government of Canada does not now have the leadership, the courage and the wisdom to start tackling these problems with energy, they will get out of hand and our country will be faced with the kind of violence on the street with which the country to the south of us is faced. This is why we take this problem so seriously. This is why we say there is a housing and urban crisis in Canada, not only because of the number of housing units now needed but because of the growing problem of urbanization in Canada, because of the growing threat to the quality of life of the vast majority of our people. If this problem is not tackled now, it will get out of hand to the point where there will be no evolutionary democratic solution to it.

The Deputy Speaker: The hon. member for Don Valley.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I rise on a question of privilege. I should like to point out that so far two members of the New Democratic party have spoken but only one member of the official opposition has had the chance to speak. I should like to ask for your permission to allow a member of our party to speak at the present time.

The Deputy Speaker: Order, please. I appreciate the point which the hon. member raised but there has been one speaker on the government side and, according to my list, four on the opposition side. Therefore, I think it in only fair that I recognize the hon. member for Don Valley.

Mr. Robert P. Kaplan (Don Valley): Mr. Speaker, I am afraid that in the discussion of federal responsibility for housing and urban affairs resulting from the resignation of the Minister of Transport (Mr. Hellyer) the country is losing sight of the fact that the primary responsibility for our cities still rests with the provinces. I hope this situation will change and that the federal government will be able to obtain, with the co-operation of all provinces, some direct access to our cities. This is a priority subject for federal-provincial constitutional discussions.

In the meanwhile, I should like to look at the provincial role in housing to assess the responsibility of the federal government. One major aspect of the housing crisis, the urban crisis if I can put it more broadly, is the status of the tenant. Whatever solution emerges to the housing shortage, there will be a growing number of tenants in Canada.

It is a shocking fact that until recently some municipalities in my riding and elsewhere denied tenants the right to vote in local elections. Not only was their civil status

downgraded, but their contractual status with their landlord is a genuine relic of feudal times. With the past shortage of accommodation, they have lacked any real bargaining power. Large security deposits are demanded and often no interest is paid on them. Children and pets are often forbidden. Landlords reserve the right to enter and inspect premises at all times. Tenancies are forfeited for minor infractions. Tenants have no voice in the formulating of rules which apply to the common areas. Most critical, there is no right for the tenant to withhold rent against breaches of covenant by the landlord. Fortunately, tenants' associations are forming. There are some which, to the credit of many landlords, have obtained great co-operation, even to the point where landlords are presenting statements of profit and loss.

But not all landlords are co-operative. The solution to this injustice and frustration in our urban centres is legislation, but not federal legislation. This is a provincial responsibility. You can imagine the frustration of those inhabitants of our big cities who want better and cheaper housing when they see thousands of acres of land lying idle around our cities awaiting development. Some in Canada may be led to believe that the Prime Minister (Mr. Trudeau) is responsible for this situation. But the fact is that only the provinces have the power to open these lands for urban development. This is not a simple question of money. As it is, there is a very substantial federal contribution to education and to municipal services. The whole provincial share of municipal development can easily be taken from the pockets of the speculators by proper provincial legislation. It is a question of legislation by the provincial governments. Yet, in Ontario, in the township of Pickering for example, which adjoins the city of Toronto and which contains 80,000 acres of land suitable for development, the latest policy of the provincial government expressed through the Ontario municipal board is that only 100 residential building permits per year are to be issued.

• (4:10 p.m.)

Let me pursue this theme to show what, in my view, are the errors in provincial policies which have created this crisis. Local municipalities are run by the people who live in them in their own interests. Under present provincial law the ratepayers bear heavy burdens in connection with services; that is, sewers, water and roads, and in connection with educational costs. A substantial part of such costs are borne in the municipal tax rate. Residential assessment alone can never raise the tax revenue required to pay for the services which a municipality provides for its residents. The solution adopted by the municipalities is to resist residential development—and who can blame them, under the present provincial legislation? But look at the problem from the point of view of the provincial government. The school children who are excluded from a particular municipality because of a ban against new housing, still have to be educated. Somewhere in the adjoining crowded city, each extra student has a desk and a teacher. So, in a broader geographic perspective, no money is saved by keeping children confined within old neighbourhoods.

What is obviously required is that the cost of education be borne above the municipal level and that ratepayers be freed from the education tax. Such a policy would permit municipalities to accept residential development without regard to the education consequences. As to the cost of services, it would be a relatively easy, if unpopular, matter for legislation to be introduced to permit the financing of such projects through assessment of the landowners whose properties would increase in value from the services to be provided. And at least in Ontario, there is no such legislation.

I would like to say a word about land banks, which have been proposed by the task force on housing. In some areas, if land can be bought at agricultural prices, land banks may have some utility. In built-up areas surrounding the big cities, where land is currently being held for development, I suggest that land banks are futile and a drain on the taxpayers. The acquisition by the government of land for development in such areas would only involve the transfer of huge sums of money from the treasury to private pockets without bringing the land purchased any closer to development. Far better to see the tax money spent on schools and services so that the land can be developed more quickly for housing. Unserviced land itself has no cost of production. Those who own land are obliged to sell at the market price, whether it cost them more or less. Yet land represents one of the greatest factors in the high cost of housing. If sensible fiscal arrangements were to be made by the provinces with their municipalities, as I have suggested, I believe that so

much land would be opened up that prices of raw land would fall as the demand was met.

I would like to deal with another factor in the high cost of housing, one which is again the responsibility of the municipalities and again the result of outdated and counterproductive fiscal arrangements between the provinces and municipalities. I am referring to the high standards set for new homes. Considering the urgent demand for housing, municipalities should be prepared to permit smaller lots and smaller houses, so that homes can be built which people can afford to buy. At the present time the zoning requirements of municipalities are so high that there is no new housing, as it were, in the Volkswagen category. People who would like to buy a Volkswagen house and can afford one, are offered only Cadillacs which they often do not want and cannot afford.

The municipalities' high standards are partly an aesthetic consideration based on the desire of existing residents to see their communities upgraded at the expense of newcomers; partly it is a measure designed to reduce the amount of new development and to assure high assessment and higher taxes from newcomers. Much leadership in this respect can be provided and, in fact, has been provided by the federal government. More should be forthcoming.

The standards imposed by the Central Mortgage and Housing Corporation for new housing are lower than the standards of any municipality in Toronto as to lot frontage and house size. But leadership can carry the matter only so far. The ultimate and direct solution is legislation, and again, Mr. Speaker, not federal legislation but provincial legislation.

On the subject of high costs of construction, I would like to say a word about the sales tax on construction materials. I believe that this tax should not have been introduced. However, it presently represents an important source of revenue which cannot easily be replaced. I would, therefore, urge the government to consider not the total repeal of the 11 per cent sales tax on construction materials, but at least the repeal of he cost of construction materials used in a house whose selling price, excluding land, is less than, say, $18,000. A similar provision could apply to apartment buildings which could be demonstrated to have been built for those with low incomes.

Mr. Gilbert: Does the Minister of Finance (Mr. Benson) agree with that?

[Mr. Kaplan.]

Mr. Kaplan: I have put it to him.

Such a reform could be administered by applications for refunds after the construction of the residence on production of evidence of its selling price, or of the rent to be charged in the case of apartments.

The third element in the high cost of housing is the increased and growing cost of money, that is, the interest charge. This is an area in which the federal government has some responsibility through C.M.H.C. and through its general control of the economy. Nobody is happy about the high cost of money today. I would like to look for a moment at the problem of inflation in perspective and then to suggest an approach to a solution not referred to in the task force report on housing.

There are many people who blame the federal government for inflation and who criticize it for its lack of restraint. Let me refer to some figures produced by the International Financial Statistics Service of the World Bank to illustrate how Canada compares with other nations in controlling inflation. Twenty-seven countries are included in the comparison, most of them free economy industrial countries, reflecting the change in the cost of living from 1958 to 1966, that is, over an eight year period. The figures show that over the period mentioned Canada is second only to the United States in controlling its price levels.

In that eight-year period, United States prices increased 14 per cent and Canadian prices increased 16 per cent. In Germany, whose economy is often praised for its stability, prices increased by 22 per cent; in the United Kingdom the increase was 27 per cent; in Sweden a socialist country much admired by some, the increase in prices was 34 per cent and in Japan, land of the modern economic miracle, the increase was 50 per cent. It will be seen that relatively speaking Canada's record has been very good.

In judging our performance, it must be borne in mind that Canada is tied very closely economically to international supplies of capital, of markets and of resources. We are not sufficiently isolated to have an economic policy radically different from those of our neighbours; hon. members will see that inflation is really an international problem which Canada is fighting off relatively well.

If, as I have suggested, inflation is an international phenomenon, this does not mean every effort should not be made to control it

to the greatest extent possible. The government is recognizing its responsibility in the matter of inflation and an effort is being made to curb the expansion of the public sector and to keep government expenditures more in line with government revenues. Inflation has an important bearing on the cost of money. As investors lose confidence in the power of the economy to control inflation, they are less and less inclined to make fixed yield investments in mortgages, even at high rates. Investment in equities provides dividend income which more or less constitutes a hedge against inflation. Mortgages, as an investment, are unpopular for another reason. Our tax policies tend to discriminate against interest income. The investor who chooses an equity investment, such as a stock, enjoys two sorts of tax benefit. If the stock increases in value, the profit he earns on its sale is classed as a capital gain and is generally tax-free; the dividends he earns while waiting are subject to a dividend tax credit which also provides tax relief. The investor in a mortgage, on the other hand, not only pays income tax on the full yield at the highest rates, but is unprotected against inflation. It is partly for this reason, namely, to obtain a hedge against inflation, that interest rates have risen as they have.

• (4:20 p.m.)

To save the time of hon. members, I will merely refer to Private Members' Notice of Motion No. 61 which proposes a tax measure to encourage lending. In summary, Mr. Speaker, while there are measures that the federal government can and should adopt in the interests of providing more housing, the actions of the Minister of Transport fail to focus attention where it primarily belongs, that is on the provinces and municipalities.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, the housing crisis which exists in Canada today has been very adequately described to the house by my leader, the leader of the New Democratic Party and his deputy leader. I intend this afternoon to deal with some of the other reasons, in addition to the frustration with the government's refusal to deal adequately with this problem, which caused the Minister of Transport (Mr. Hellyer) to hand in his resignation yesterday morning.

I want to take a look at the kind of man he is to see if he is the kind of person who through pique and for picayune reasons would suddenly make a decision of this magnitude for himself and for the country. I also want to examine the other reasons why he found it necessary to take this important step yesterday.

Those of us who have known him in this house for 20 years, look upon him as a very deliberate man, one not given to hasty decisions or making unreasonable moves. In fact, most often he has been criticized for just the reverse. He is not an ordinary member of parliament or an ordinary member of this government. He is a man who has served in three governments under three prime ministers. He has served in this house for 20 years.

The Minister of Transport also serves as Deputy Prime Minister, a post assigned to him by the Prime Minister (Mr. Trudeau) because obviously the Prime Minister considered that he was the man most able to direct the affairs of this country while he, the Prime Minister, was absent. We must remember that not only we who know him from the other side of the house consider him a thoughtful, reasonable and reliable man, but also the members of the government and the Prime Minister. I, as well as others, know that to resign from the government is the most difficult decision a man in public life can ever make. It is only taken after a very great deal of consideration and heart-searching and with great reluctance. It is, therefore, obvious that the Deputy Prime Minister in taking this step took it as a thoughtful, deliberate, reasonable man, held in high regard by those with whom he works and those on the other side of the house.

What are the differences between the Deputy Prime Minister and the government which caused him to take this step yesterday morning? We have his own words to explain the reason for this decision. The Deputy Prime Minister, at a press conference yesterday morning, stated that the greatest difference between himself and the government that prompted him to take this most important step was the Prime Minister's attitude toward government itself. He described it, and I quote his words, "as the Prime Minister's classroom brand of federalism which is hobbling progress in the country in four important areas." He mentioned them as being housing, pollution, urban development and control of inflation.

I suggest, Mr. Speaker, that we look back for a few minutes to the election of last June and remember what the Prime Minister promised in these four specific fields. In the

field of housing, the country was to have adequate housing at reasonable prices that people with moderate incomes could afford to buy. The Deputy Prime Minister has told us that, in his opinion, his program which was worked out with great care after his trip across the country, at quite some expense to the taxpayers of Canada, examining housing questions in all parts of Canada, has very little chance of ever coming before the house for decision. These are the words of the man in charge of this program, not the words of the opposition. They are the words of the Deputy Prime Minister who is in charge of this housing program.

When the Prime Minister spoke this afternoon, he glibly quoted figures regarding the housing situation today, mentioning only numbers of houses being built. It seems to be of no concern to this Prime Minister what people have to pay for the houses they buy or rent. It is of no importance to him if you have to pay several thousand dollars more this year than last year, and several thousand dollars more the year after. This is of no consequence to the Prime Minister. He is in the very fortunate position of not having to worry about these things and he seems to believe that other people find themselves in that same fortunate position. Your Honour and I both know, as well as other hon. members of this house, that there are very few people in this country who find themselves in that position.

A few weeks ago in Montreal the Prime Minister made an attempt to visit a housing development in order to find out what the people who live in that kind of housing think about the government's program. He received a rather inhospitable welcome. What did he do? Did he stand there, face it out and discuss the question with these people? No. He turned tail and ran. The Prime Minister cannot take criticism. He does not want to hear people saying unkind things to him. This is why he turned on his heels, left and never went back. That is the last contact he has had with people in this country who cannot afford the housing they need. Yet, he glibly says today everything is all right in this country under a Liberal government, there is all the housing that people need. The Prime Minister implied that, like himself, everyone has all the money they need to buy whatever house is offered to them at whatever price the landlord chooses to charge. We can see what has happened to that glib promise.

[Mr. Hees.]

The people of this country were promised there would be some action on the problem of pollution. The people of this country were told they deserve and would get clean air and clean water. Yesterday, at his press conference, the man who knows more about what is or what is not going on in the government stated flatly that the government had no program; that nothing had been started to deal with these matters and that there appeared to him no likelihood that anything would be started to deal with these problems. So much for the Prime Minister's glib promise to the people in the shopping plazas that under this new Liberal government they would now get clean air and clear water.

The Prime Minister promised a new and better life for those who live in the urban communities of this country. Yesterday, the Deputy Prime Minister said once again there is no government program to improve urban life. He stated there is nothing even in the planning stage. Those are his words, not mine. They appeared in the newspapers. Newspapermen attending that conference know exactly what he said. I think the minister is a man of conscience and great sincerity. I have known him in this house for 20 years and, although I have fought with him over many issues, I have always respected him. I may not have agreed with him, but I knew that when he spoke he told the truth as he saw it. He said this government is doing nothing to halt the inflation taking place in this country. Since the Prime Minister took office inflation has increased month by month. When you ask the Minister of Finance what he proposes to do to curb inflation, he answers that everything possible is being done; that we should trust him and wait to see what will happen next month or the month after. Yet, inflation increases all the time.

• (4:30 p.m.)

Yesterday morning the Deputy Prime Minister said that the Prime Minister would sooner debate constitutional issues than tackle the practical problems facing the people of the country. He said that the Prime Minister, who is his seat mate in the house, his senior in the cabinet and his closest confidante would sooner discuss constitutional matters in a scholarly way than come to grips with practical problems facing the people of this country.

At his press conference yesterday morning the Deputy Prime Minister made clear in no

uncertain terms an additional reason for resigning from the government. He believes sincerely and has always believed sincerely that the best way of preserving world peace is through collective security. With that we in the opposition, thoroughly agree. He believes the greatest contribution this country can make to peace is as a member of NATO. He believes we ought to fulfil our obligations to our NATO allies and not withdraw from those obligations. The Deputy Prime Minister is convinced that we cannot have world peace through collective security if we withdraw our forces from NATO and set the rest of the world the regrettable example that was first set by France. Such an example may encourage smaller nations wishing to make a lesser contribution to NATO to do so. As a former Minister of National Defence familiar with these problems, the Deputy Prime Minister knows perfectly well that once you start setting an example of withdrawing from the NATO alliance it will not be very long before there is no NATO alliance that is of any value at all. If that were to happen our chances of preserving world peace would diminish in direct proportion to the weakening of the alliance.

The Deputy Prime Minister knows perfectly well that world wars have come about because aggressors have misjudged the will of the western allies to withstand aggression. That is how World War I and II began. He knows perfectly well that our potential adversary, the Soviet Union, has not changed its attitude one bit in the last 25 years. What happened to Hungary and Czechoslovakia shows that to be true. He knows perfectly well that this government's attitude towards NATO weakens our chances of stopping World War III from beginning. That is one of the fundamental reasons why the Deputy Prime Minister has found it necessary to resign from this government.

His decision was the most difficult decision that any man in public life has to make. His decision must have been taken after a great deal of thought and consideration; it must have been taken with great regret on the basis that he could not, in all conscience, continue as a member of a government that refuses to face its responsibilities in dealing with the practical problems of the people of this country.

The minister says that the people of this country cannot wait for the Prime Minister to debate these constitutional issues. These matters must be dealt with now. Because the government of which he was a member refused to deal with these matters he found it necessary to resign. That course of action could well be considered by other members of this government who, as is commonly known, disagree strongly with government policies affecting matters of national importance.

In conclusion, may I say that the views I have expressed this afternoon have not been the views of the opposition alone. I have placed before the house views expressed by the second most senior member in this house, the Deputy Prime Minister of Canada, and I have elaborated on what he said in his declaration of resignation yesterday. I say to the Prime Minister, let us not be content to only debate these questions. I say he ought to come out of the classroom where, as the Deputy Prime Minister suggested, he is spending too much of his time. Let the Prime Minister get on with the job of fulfilling the promises he made to the people of Canada last June, because on the strength of those promises he was elected. Let him get down to business, as the Deputy Prime Minister has told him to do, get on with the job and produce the results that he assured the people of Canada he would produce if he were elected.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, since many of the arguments I intended to raise have already been covered, I shall be brief. There is no difficulty in accepting the premise that there is a housing crisis. The evidence is there for all to see. It speaks for itself. The Minister resigned because, as has been pointed out by other speakers, his complaint is that the government has no policy in the field of housing and does not intend to implement any suggested policy. I think the hon. member for York South (Mr. Lewis) described the housing crisis adequately. The only answer the minister received to his complaints was that housing is a matter for the provinces or the cities and that the constitution precludes this government from taking any positive steps to solve this problem.

One need not be a constitutional expert to appreciate that the constitution of any land should serve its people and not make servants of them. After all, every constitution changes. Although the wording of a constitution may not be amended, the meanings of words change. In some ways constitutions are like growing trees. They can be interpreted differently under different circumstances.

Under former Prime Minister Louis St. Laurent, one of the great constitutional experts of this country, the federal government became involved with the national housing program. But it was the government of the right hon. member for Prince Albert (Mr. Diefenbaker) which appreciated the problems relating to housing. In one year it made available $700 million to be spent on houses in order that Canadians could live in dignity with their families in decent houses. This crisis has not just developed. It was in existence during the last election. One of the great mistakes made in elections is that governments continue to be elected on slogans like, "The New Deal", "The New Frontier," "60 Days of Decision" and "The Just Society."

• (4:40 p.m.)

An hon. Member: And "Follow John."

Mr. Woolliams: He was good to follow, and talking about slogans I remember another one, "King or chaos". When we got him we got both. I concur in what other hon. members have said that housing is a national responsibility and that the government is not living up to that responsibility. So far as I am concerned, it would take very little effort on the part of any government to negotiate and consult with the provinces and the cities.

Just a few moments ago I received a telegram from the city of Calgary which reads:

Calgary was one of the few cities in Canada to suggest a research program for housing. We were also one of the few cities prepared to invest civic employee pension funds in housing.

All they want is federal direction.

We urgently request that Calgary be considered as the western site for a housing research project. We have the builders, the land, a complete planning department, and a proposal ready once we receive federal support.

So, the city of Calgary says to the government, "We have all the facilities. We have the land and the builders. All we want is direction and a policy from the government."

As indicated in recent newspaper articles cabinet approval to finance Ottawa city scheme with 6⅞ mortgage money has been granted. Housing matters are urgent in Calgary as people are moving in from all over Canada compounding our problem. With uncertainty magnified with departure of Mr. Hellyer we feel immediate federal decision imperative if homes are to be built this year.

That telegram is signed by two men: Alderman Eric Musgrave and Alderman Adrian Berry. I might say that in the election prior to the last one Alderman Berry was the Liberal candidate in the riding won by the former Minister of National Defence from Calgary Centre (Mr. Harkness). Now, he says, like the Minister of Transport, that the government is not measuring up to its responsibility.

I differ with some other speakers in this debate. I say that during the election campaign the Prime Minister (Mr. Trudeau) promised nothing and, believe me, when you examine what has occurred since he became Prime Minister he has delivered that program far faster than my expectations. Now, the only thing he says he will do is introduce legislation that will extend housing mortgage payments from 30 years to 40 years. What will that mean? Let us take the example of a $10,000 mortgage. What will that mean in this present period of inflation?

Here, I read from an article to which I have referred previsously, by Richard H. Steacy in the Toronto *Star*, who breaks down the payments for a $10,000 mortgage;

A startling feature about the chart is the difference in monthly payments of a 40 year mortgage and a 30 year mortgage, which is a cool ten years. It amounts to $2.94 a month.

That is no solution. What we need is a good housing program. The cities have the land. The provinces can work with the cities. All we need is for the federal government to accept its responsibility and negotiate at the provincial and the city level, through the provinces, and get on with the job. Because the government would not move, the Minister of Transport resigned.

There is not much more I can say in reference to housing. During the election campaign the great excuse of the government was that money was hard to come by. Why doesn't the government use its initiative? The United States has just brought in a new national act under which municipalities can borrow money at reasonable rates of interest. Under that plan, individuals can place their money in the national fund, up to a ceiling of $20,000, and the interest paid to them is tax free. This means that municipalities in the United States can borrow money at 5 per cent.

After this debate has concluded, surely the government should put a minister in charge of implementing some of the recommendations made by the former minister. Surely, it should get on with the job. It does not take words from me to show that there is a crisis. It exists in every city across our land. To solve it would require a little initiative, a little ambition, a little foresightedness and, above all, a little responsibility. Let us not

again hear from the Prime Minister that the constitution is blocking housing programs. That is utter nonsense. If there are any factors in reference to housing that fall within the jurisdiction of the provinces they can be met through negotiation. Because it is a national crisis the responsibility rests squarely on the shoulders of the federal government.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, the crucial issue in this debate is the whole future scope of federal government in Canada. The question is, are we going to treat the Canadian constitution as a means of preventing federal action in the field of vital national social problems affecting all Canadians?

Housing is vitally important, but it is only one of the national problems of concern in this debate. During the election the Prime Minister (Mr. Trudeau) sought widespread support for himself and his party by appearing to be a strong federalist. He spoke of a strong Canada, and many people thought he means a Canada whose federal government would in fact use strong initiatives to deal with the pressing problems of the Canadian people.

The Prime Minister's election campaign was carefully managed, through vagueness and the exploitation of a certain charisma, to conceal the true views and intentions of the Prime Minister. A certain verbal bellicosity vis-a-vis the Prime Minister of Quebec was used to create an illusion that the Prime Minister was a champion of a strong federal government. It is this false view of the Prime Minister's basic stand that has been shot down in flames by his closest colleague, the Minister of Transport.

The Minister of Transport has made it abundantly clear in his letters and interviews that the Prime Mnister's interpretation of the present constitution is that the federal government should stay out of using federal powers to deal with issues such as housing, pollution, inflation and urban development. I am not making this up. These are the words of the Minister of Transport, formerly the deputy prime minister. It really is a matter of interpretation.

• (4:50 p.m.)

The Prime Minister adopts a view that is quite a responsible view and held currently by a number of people, particularly people within his own province. This view is that the use of its spending power by the federal government to deal with national needs is an intrusion upon provincial rights. I say to the Prime Minister that it is not as clear as all that. There is another constitutional view, and I think a better one, and that is that the federal government under its powers of taxation and spending has the power to be a strong and purposeful government. I think it has the legal right to use those powers to deal with those problems, and I think it should use those powers in co-operation with the provincial and local governments, but with a firm federal initiative in the field.

The Prime Minister, to do him justice, has made it clear, if one studies his writings, his statements and what he said to the students in London at the time of the Commonwealth conference and repeated I think in Calgary, that he accepts an interpretation of the constitution which gives to the provinces the major, if not the sole, power in such fields as housing. Other have mentioned that we take issue with this view, as I think does the Minister of Transport. The Prime Minister's view is that of a cautious and laissez-faire government which cannot act firmly in the interests of Canadians. As I said before, there is a view held by people in some parts of Canada that the federal government should not deal even with the vital social need of people to have shelter. If such a view should be held in one province, perhaps some constitutional or governmental arrangement could be made to give that part of Canada where the view is held the right to opt out of activity in this field at the federal level.

I suggest, however, it is totally unacceptable that the Prime Minister should impose on us his own view, although it is shared by some others, of the constitution that effective action in those parts of the country which believe as we do should be vetoed and prevented by this narrow view of the constitutional position.

I should like to turn directly to the question of housing. I could not but help notice that the Prime Minister placed a relatively low priority on the matter of housing. I say that we in this party, especially those of us who happen to come from urban centres, place a very high priority on the question of housing. Our view is not based on comforting statistics about housing, and rates of starts. Our view is based upon a daily acquaintance with the facts.

I wish to say to the Prime Minister there are many people in this country who are desperately anxious because of this crisis. I want to say to him that all the good effort of which he spoke could only provide—and this is admitted to be so in the task force report—housing for people with incomes of $8,000 a year. The vast majority of Canadians do not have an income at that level. We have urged this government to do something for those people who urgently need housing. This is an area which requires direct government action. We are suffering today from 30 years of free enterprise laissez-faire in respect of this basic problem of our people. I admit that it will not be overcome in a little while, but it will never be overcome until the federal government assumes its full responsibility in this matter.

Every country of the world which has tried to deal with this matter has found it necessary to adopt a method for establishing public housing. We have failed miserably in this field. I take issue with the task force report suggestion that this is not necessary. As my colleague the hon. member for York South (Mr. Lewis) pointed out, in the metropolitan area of Toronto alone there are 16,000 families on the waiting list for public housing. I have set up a small office in my riding and day by day, week by week, people come in who are desperately in need of housing. They are urgently looking for assistance in getting their names placed on the list for public housing. These people include widows, deserted wives, people with families and older people. These people are harassed by escalating rents. We do not need any statistics to prove this situation because we see it day by day in our experiences if we get down and meet the people whom we are supposed to represent.

Certainly, there is no need for the complacency which was contained in the speech the Prime Minister made today. I should like to deal with another aspect of housing which I think all too often is neglected, certainly in an urban area such as I represent. I say that the cities of this country are faced with the likelihood of growing decay unless federal action is taken in respect of the rehabilitation and the care of the existing stock of housing. The whole burden of taxation has a crushing effect in this field. Areas like my own—a very excellent place to live with very many fine people—are threatened with growing decay because of the burden of taxation and the burden of increasing costs which means that the people are not in a position to maintain their own stock of housing. There is urgent need for initiative in this field.

I noticed only a little while ago that a gentleman by the name of George Cook, director of housing standards for the city of Toronto, told a national gathering of urban renewal officials that nothing effective would be done to achieve any improvement in housing standards until the federal government recognized the need to provide special loans and grants. In the Prime Minister's speech today we did not hear a single word about public housing and the urgent need for assistance in maintaining the stock of housing we have at the present time.

I wish to commend the Minister of Transport for his action. It is in accord with a sound principle which too often is neglected; that is the principle that if you differ from the policy of your government it is your duty to resign. I wish others had had the guts to resign when such a situation presented itself. As I have said, this debate is of vital importance to the future of Canadians. The desperate housing crisis should have a top priority in the consideration of the government. Not only does parliament hang on this, but also the whole concept of government in Canada.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, you know I feel like shedding a tear on this momentous occasion because over the months here I had developed a rapport and certain dialogue with the Minister of Transport in charge of housing. I stand here today wondering what I am going to do in the future. I thought we almost had the answers to an urban renewal program. I was eagerly anticipating the guidelines for public housing which C.M.H.C. would accept and now I find my minister is gone. The Prime Minister delivered, in his usual inimitable and flowery way, a speech in which he said how great things are in respect of housing in Canada. At that time I scratched my head, because if things are so great why did the Minister of Transport in charge of housing resign. It is amazing to watch the Prime Minister throw a red herring across to the opposition.

• (5:00 p.m.)

The leader of the New Democratic party stood up this afternoon and with his usual brilliance said: I can see through this whole thing; we are dealing with housing but at the same time there is an issue here we must be concerned about this afternoon, and that is the constitutional aspect. There can be no

doubt about that. The Prime Minister today gave a series of excuses which can only be described as flim-flam. The issue is not only government housing policy or the lack of it; it is much more significant. The issue is that, coupled with the resignation of the Minister of Transport and whether or not he is right.

For the benefit of those who are not up to date and have not read today's Ottawa *Journal,* let me indicate that it suggests the Minister of Transport will continue to fight the kind of federalism the Prime Minister has expounded today. That becomes very important to hon. members sitting on the other side of the house.

An hon. Member: Don't believe that.

Mr. Alexander: We have to believe everything we read in the newspapers nowadays because they are getting closer to home so far as the Liberals are concerned.

If the Prime Minister has adopted a rigid, inflexible, constitutional attitude which prevents the government from giving leadership in housing, pollution and other urban problems including slum clearance it seems to me, with all due respect, that this government should not be sitting here. The Prime Minister does not answer the issue by citing figures as to the number of housing starts. He knows that most of the houses he talked about today are out of the reach of the vast majority of Canadian people. The situation is as simple as that, and that is all there is to it. Once again he has dragged in a red herring. Over 90 per cent of the people have been placed in such a position as a result of inflation that they cannot afford the houses to which the Prime Minister has referred.

The minister's resignation came as a dash of cold water to a government lost in a dreamland of abstract speculation. It pricked the balloon of the just society and the theory of participatory democracy. I should like to know what kind of participation the minister had. When I asked him questions in the house it is no wonder that he, even with his knowledge, could not give the answers. He could not get the answers from his cabinet colleagues. They would not allow him to answer. I now feel sorry for the Minister without Portfolio from Winnipeg (Mr. Richardson).

An hon. Member: He hasn't got any housing problems.

Mr. Alexander: I am told that he is one of the more fortunate ones in this house. The Minister of Transport was concerned about the nuts and bolts problems, in other words, the nitty-gritty problems of living, the bread and butter issues. These problems, which affect the majority of Canadians, are: prosperity eroded by confiscatory taxation and runaway inflation, the neglect of the cities and their progressive deterioration, the refusal to consider the by-products of industrial growth—pollution of air and water. These problems are the nuts and the bolts of the matter and are what the Minister of Transport talked about.

Not only has the government failed to deal with these problems but it has failed to recognize their importance. I think the Canadian people could stand up today without hesitation or reservation and say, not only is this government arrogant but it is callous; with the greatest respect, this government is indifferent to the growing problems of urbanization. The minister adopted the unusual course of personally taking charge of the task force as a dramatic demonstration of the importance of the problem. The government failed to back him up.

I was looking at television the other day and I heard the Prime Minister state that the Minister of Transport was one of his best ministers, a man who knows all about these problems. Yet he is gone. Who else over there knows anything about these problems? I do not know what is going to happen now.

It is stated on page 1 of the task force report:

> In short, if there was not an urban "crisis", there most certainly was a serious urban problem. People were conscious of it as they were conscious that existing efforts by their governments, most of which seemed as much a reaction to circumstances as an attempt to direct them, were inadequate to meet it. The time had come for a hard, new look at housing and urban development in Canada.

Let me now turn to page 9 of the task force report where there is a statement which becomes extremely significant when one remembers that Ontario alone, as stated by the Economic Council of Canada, will have a population of some ten million people by 1970. The task force report states:

> The first and major impression of the task force —and one on which abundant satistical data exists— is that Canada is increasingly and rapidly becoming an urban nation. The statisticians say that seven out of every ten Canadians now live in urban areas and that more than eight out of ten will do so by 1980, most of them in 29 major urban centres across the country. If the statistics are impressive in themselves, even more so is the physical effect which this massive migration, equal

in scope to the first settlement and development of Canada, has had and is having on the national landscape.

In other words, we are on the verge of a crisis greater than any we have experienced so far. This is significant when we realize that the Minister of Transport has indicated to his cabinet colleagues that he has some of the answers. He took it upon himself to go across the nation, under the direction of the government, to find out what are the problems. He has now provided some of the answers. But what was his response? I cannot answer that. The minister is the only one who knows the answer.

No Prime Minister, after a short period of one year in office, has received such a resounding vote of non-confidence as that delivered by the former Minister of Transport in his press conference, and he did a magnificent job. The indictment that the government has shunned the hard problems of inflation, lack of housing, high taxes, urban rot, pollution and a host of others, is unanswerable. It was a picture of a government engaged in creating handmade, headline-catching issues while sheering away from the things which affect the greatest number of Canadians in the most serious way.

It was a member of the N.D.P. who indicated, in so many words—and I have said this before and will continue to say it—that if we look across the border to the United States we will find that if we continue to ignore the grievances which result from neglect of many problems including the lack of housing, then because of urban expansion we will be in trouble. It is amazing to me that this government continues to hang on to expressions like constitutional reform—certainly that is important—and homosexuality. I suppose that is important as well. The government must remember that there are nitty-gritty issues that must also be answered. All the Prime Minister can say is that the government is doing its best, but look at all the money we are spending. Nothing could better illustrate the truth of the former minister's charges than that reply.

One of the former ministers most telling statements, and one with which most people will agree, was that there was more concealed than there was revealed in the present NATO policy. This was reported by Peter Stursberg on television last night. I wonder what is being concealed in respect of the minister's resignation. When we consider that this is a statement made by a former defence minister, the architect of unification, the virtual creator of the mobile brigade now serving in Europe, it is a very serious situation indeed. Defence policy is a vital and continuing issue and it will continue to be so. Since the recent statements of the Prime Minister constituted a virtual repudiation of the policies of which the former minister was a convinced advocate, his concern is understandable.

It may be said of the present member for Toronto Trinity, as it was said of Charles I, that nothing so became his ministerial career as the leaving of it. We are told by some who attended his press conference and had the privilege of hearing his last words, as it were, that his department was dignified, even condescending, as he proceeded to pull the rug out from under the Prime Minister and his former colleagues. In other words, to put it in the language of the street, with which I am quite familiar, he shafted the government. There was much more in his resignation than a simple difference over housing; let that be understood. That is what this motion is all about. This matter is being dealt with today because of his resigning, and I cannot understand why the Prime Minister should say we cannot talk about constitutional matters.

• (5:10 p.m.)

I think the Minister of Transport in his resignation wanted not only the government and the house but the whole country to know that things ain't so hot on the other side of the chamber. It is as simple as that. Certainly the Minister of Transport was disturbed about the government's failure to end the housing crisis in this country. In that respect the minister is not alone; we stand behind him. But he placed that failure on a ground that had not heretofore been placed before the Canadian people, the ground of constitutional difference. I should like to quote what the minister said, because it's beautiful, as they say:

I cannot personally accept a theory of federalism which, however attractive in principle, cannot meet the needs of the Canadian people.

The constitution is supposed to meet the needs of our people. According to the Prime Minister, the way it stands now he cannot, by any means, with the co-operation of the provinces and going down to the municipalities, solve the many pressing problems in this regard because, as he says, the constitution prevents him from so doing. The minister underlined that between himself and the Prime Minister there is a great gulf on the

constitutional question, the very structure of the federal system. This is why I will not accept the Prime Minister's red herring when he says: You are not talking about housing; you are talking about the constitution. We have to talk about it today because the Minister of Transport says we have to talk about it. The Minister of Transport does not sit on this side of the house; he sits over there and is one who knows what the problem is.

Almost on the eve of a federal-provincial constitutional conference the Minister of Transport, in charge of housing, the No. 2 man in the cabinet, says that he has no confidence in the Prime Minister's constitutional position. According to the minister, it is a position which prevents the Prime Minister and his government from taking action on housing, pollution, urban development and a number of equally important and urgent issues. Poor Hamilton and its hopes for urban renewal! Poor Vancouver and Toronto! What other cities are involved?

Mr. McGrath: St. John's.

Mr. Alexander: St. John's, and Calgary. I could go on naming the cities involved in this problem; there are some 300 of them. These are issues partly or totally within provincial jurisdiction. If it is a fact that the Prime Minister, in the inner sanctum of cabinet, has taken the stand that the government is prevented from dealing with these matters, this is something the people of Canada are entitled to know. Will this continue to be his stand? Is this to be the attitude of the Prime Minister, when we are told that about 80 per cent of our people will be living in urban areas? These are the people who need help, leadership and direction in respect of these problems. Will it always be the stand of the Prime Minister that because of the constitution these people cannot be helped by the federal government? If so, let the Prime Minister tell them, because the people want to know today.

This is something that parliament is entitled to know. We must have answers today, if possible, but next week for sure. We know there has been little action to end the housing log-jam. We know that next to nothing has been done in the field of urban rehabilitation and public housing. We know that not enough houses are being built, and those that are being built are out of the reach of low income families. We know that speculation is rife and has taken over the field of land assembly; it is one of the major factors of inflation.

The minister had some of the answers to these problems but they were ignored. The Prime Minister has taken the stand that pollution, housing, urban renewal and similar matters are beyond his purview. How can he justify a hands-off attitude at this time? How, in heaven's name, can he take such a stand?

An hon. Member: He says there is no problem.

Mr. Alexander: That is what he said, there are no problems. I listened with interest to the speech of the hon. member for Calgary North (Mr. Woolliams). He said the Prime Minister made no promises, and he has kept his promise. I say that he made no promises and has done less, but it comes out to the same thing. I could go on and on, Mr. Speaker, because I think it is very important that we have a feeling of responsibility in this debate.

I am concerned about unity. I listen to the Prime Minister when he places great stress upon the official languages bill and says it will unite the country. I disagree; I think unifying factors are a full belly and a good house. They are much more important than being able to speak two or three languages; there can be no mistake about that.

I close with these few remarks, Mr. Speaker. When we talk about unity we are talking about making Canada a country in which Canadians will be happy and content to live. There can be no doubt that the constitutional question is important in this regard. But there is also no doubt in the world that a government which does nothing about urban problems will create new sources of disunity. When I think of the four million people that the Economic Council of Canada says are on the bottom of the economic ladder—I have said this on many occasions—I know they are a voice to be reckoned with. Therefore I tell the government to take heed. Canadians are already angry and unhappy about the failure of the federal government to act on housing. If they come to believe, as the deputy prime minister of Canada has come to believe, that the government has virtually no intention to act at all on urban problems, the government will be in trouble in our cities.

I say to the government: You cannot ignore the problems of the cities and, particularly, you cannot ignore the problems of the millions of low income Canadians who need help

to find housing, jobs, contentment, peace and happiness, for which they are looking to the government for leadership and direction.

• (5:20 p.m.)

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, it is for me a pleasure to make some remarks on the problem of housing. That matter closely affects us and every one, in my opinion, should make a point to find solutions to it.

That problem may be overcome. It is essentially financial and may be solved rather easily for, in our beautiful Canada, there are building materials, engineers and land available to build houses. Unemployed people only want to get work. Houses could be built and, at the present time, the means for doing so are not adequate.

Any individual, any human being, any head of a family wants to have his own home. The first concern of the human being is a decent home and, as the one who spoke before me said, something to eat. That is what every Canadian wants, and Canada could provide that to the people, because it has the means to do it.

Canada has everything necessary to build houses. We build homes with the money our financiers are willing to make available to the Central Mortgage and Housing Corporation and other agencies that lend it at exorbitant rates, and this is harmful to human development. Many people, because of the rate of 10 per cent, do not even consider building a house. Those who can efford it—this has been told over and over again, statistics have been given in this regard—are those who earn an income of at least $10,000 per year. A great number of people in Canada do not earn $5,000, or even $3,000 at the present time. Therefore, they cannot afford to build a house.

As to the governments, they do not see any other solution than building sky-scrapers, multiple dwelling houses, which will be rented at the moderate rate, according to them, of $150 or $200 per month.

But a labourer who does not earn $3,000 or $5,000 a year is unable to pay this kind of rent. Yet, it is suggested they are moderately priced dwellings. They are built because it is the only way available to the lenders to make 10 per cent profit.

The housing crisis is due to the harmful way this system operates and the minister who resigned became aware of it. As former Minister of National Defence, he did not have any difficulty in financing his department. He had his own budget and the money was always available for the purchase of guns and tanks, airplanes and so on.

However, he was given the responsibility for the Department of Transport which includes housing.

The minister, with all his good intentions, toured Canada. He then realized what were the people's needs. He found that people were terribly destitute. He requested that a report be prepared. He came to the house with that report in his hands. He asked the government to reduce the 11 per cent tax on building materials. He even asked that it be abolished. He demanded that the interest rates be reduced.

The Minister of Finance (Mr. Benson) took the floor and said: We are unable to reduce both the tax and the interest rates. Such items must help the capitalists above all.

Capitalists must make excessive profits and then all kinds of expedients are resorted to in order to exempt them from taxes. They are visibly getting more numerous. In fact, the present system is ideal for high finance to make billions at the people's expense.

At the present time, 95 per cent of the houses already built are subject to the capitalists' interest rates. Very few are free from excessive mortgages and it still intended to take advantage of the human being.

Mr. Speaker, the helplessness of the government which faithfully obeys finance makes its action inadequate in the housing field. It is not by constantly enriching the wealthy, by enlarging the gap between the poor and the rich and preventing the people from being properly lodged—even if there are some dwellings—that the human being may recover his strength. We know that this is where the family blossoms out and where are moulded heads of families who can work who will become the builders of the country. But if we have no houses to lodge them, we will not even have builders for the country but only a group of slaves or downcast Canadians.

The present policy of the government is to lend money at 10 per cent interest and to extend the repayment period. The Central Mortgage and Housing Corporation presently allows 30 years to repay a house and the intention is to extend the period to 40 years.

I believe it was the leader of the Ralliement Créditiste who earlier gave the example

of a $20,000 house that costs $84,000 at the end of the 30 years, at 9⅜ per cent. This interest rate equals more than 10 per cent with the administration and contract costs.

This does not make sense and I ask hon. members, both Liberals and Conservatives, to look at the right side of things. I urge them to have a little humanity and to put pressure on the Prime Minister and his cabinet to get a reduction of the excessive interest rates which exploit people to the limit, since there is nothing more noble, dear and comforting for a family than to own their home.

However, since most citizens cannot have their own home, we see people that are revolted, discouraged, ready for anything, willing to tear everything apart, to blow everything up, because they are disillusioned with society, because they think they are a useless burden, in a word because they are depressed and feel rejected by society.

At this point, Mr. Speaker, I would like to quote from a letter to the editor of *Le Droit* published in the December 4, 1968 issue:

> Mr. Trudeau, all your time is spent promoting productivity, profits, business opportunities, interests and the capital surpluses of the wealthy, the learned and the powerful in Canada, either for themselves or for their companies.
>
> The gap increases between the rich whose income gets higher and higher, and the poor who pay more and more taxes to cover bigger interests on the public debts.

• (5:30 p.m.)

> It is obvious that, in this way, national imbalance goes from bad to worse. That is what must be changed, in order to establish a just society, to ensure a united Canada.
>
> Mr. Trudeau, have you forgotten or have you never known that companies and individuals capitalized $28 billion, on a production of $68 billion in 1968, after paying their living expenses and all their taxes? Have you forgotten or have you never known that, during the same period, our government had an annual operating deficit, and that many families live from day to day without the necessities of life, damning governments, companies and society?
>
> Mr. Trudeau have you never thought or never known that it would be easy to make some changes, not in the institutions, not in the structures, not in the systems, not in the banks, not in the companies but in the leadership given by the Prime Minister, by the 29 ministers and by the 264 members of parliament—

If citizens write such articles, it is because they have their eyes open and know who exploits the people and why the people cannot build themselves a house.

Under the present inadequate economic system, 75 per cent of our Canadians have no house and will never be able to have any, because if they build themselves a house they will commit themselves until the next generation to pay for it and that house will still be mortgaged when it is passed on to the next generation.

Mr. Speaker, let me quote a few more facts to show that the profits go to the eight chartered banks of Canada which had assets of $31 billion in 1967 and $35 billion in 1968. Their assets increased by $4 billion or so within one year after they had further capitalized $28 billion which they did not declare, and from which they deducted excessively high depreciations, not to mention capital surpluses which are not taxable.

These figures, Mr. Speaker, are ample proof of the exorbitant profits made by our banking institutions. Are there institutions that have made a net profit of $5 billion and declared it to the tax controller?

I know manufacturers who manage their industry by dint of billions of dollars, since they can no longer make a 2 or 3 per cent profit on their industry. They can continue their operations and achieve a turnover of $20 billion and make a net profit of about $1 or $1.5 million. Likewise, the chartered banks which exploit the people make a $5 billion profit, apart from the $28 billion which they have not declared.

Mr. Speaker, before concluding my remarks, I would like to ask again the government to come to the help of those who have such an urgent need of housing, because we know that everybody wants to own a house. Several families have to move early in May and they are unable to find accommodation. Some people are very concerned about it. They have been thrown out on the street for some reason and they must vacate their flat on May 15 with their possessions.

I ask the government to look around, to show a little compassion for those people who are not asking for charity, for they want to work and build. Unfortunately, they are incapable of doing so because they are refused the means to build a house, a home of their own. They are refused all that, but it will not always be so.

I feel that unless we change our policy, our way of acting, some awful calamity will strike us. We will know the revolutions other countries have witnessed—it is closer than we think—because the number of citizens who have no roof is greater than we would believe.

A large number of absolutely destitute human beings have had enough; someone will have to pay the piper before long.

[*English*]

Mr. John Gilbert (Broadview): Mr. Speaker, the moment of truth has arrived.

An hon. Member: Has it?

Mr. Gilbert: The Minister of Transport (Mr. Hellyer) has told us that his policies with regard to urban development, housing and the constitution were not acceptable to the Prime Minister (Mr. Trudeau) who holds a narrow theory of federalism.

This afternoon we heard the Prime Minister berate the leader of my party for failing to go into the facts concerning the housing crisis, and then explain his narrow theory of federalism which in essence means a weak federal government and strong provincial governments. The right hon. gentleman shrugged his shoulders and said in effect: I represent Mount Royal which is a well to do area and we have no housing problem there. It is obvious from his background that the Prime Minister never encountered a housing problem himself. He has never found difficulty in paying a mortgage with an interest rate of 9 or 10 per cent. He has never found difficulty meeting a high rent. He has the Bugaboo lodge philosophy of living well and spending high. He has no conception of what the average man in Canada today is suffering because of the housing crisis.

I am sure the people across Canada will accept the assessment of the Minister of Transport in charge of housing that there is a housing crisis and that the federal government should take the lead in dealing with pollution, housing and urban development. I was shocked to hear the hon. member for Don Valley (Mr. Kaplan) say in substance that this was really a provincial matter and that the Minister of Transport has resigned because the Prime Minister has said the federal government has no responsibility for leadership in this important field. I was also shocked that other Liberal members from Metropolitan Toronto did not get up and tell the house that in Ontario there is a waiting list of 16,000 for public housing, or that we have high rents and high interest rates. For the last two years the Toronto newspapers have been exposing this situation to people across the country. Yet we find the Prime Minister, the dilettante of our society, coming forward with a philosophy of stand pat, no leadership, no policy on housing development and little or no action.

It is my intention to persuade the members of this house that there is a housing crisis in Canada. When the Economic Council of Canada said 200,000 homes are now needed to take care of the housing requirement I was prepared to accept that estimate. When I review the federal housing record and find that in 1965 165,000 homes were built, in 1966, 134,000, in 1967, 164,000 and in 1968, 196,000, simple arithmetic tells me there is a tremendous shortfall in housing across Canada today. According to the task force report on housing there are 5,700,000 families and non-family users who need housing units in Canada while there are only 5,500,000 available housing units. Simple arithmetic indicates that there is a shortfall of 200,000 in our housing stock. When I read further that 500,000 homes are in substandard condition, lacking toilet facilities and the ordinary amenities, the need for strong federal leadership is underlined. When I learn there are 400,000 people sharing accommodation and 100,000 waiting on lists across the country for public housing, and when I read that one Canadian in every five pays 70 per cent or more of his income for food, clothing and shelter, as reported by the Economic Council in its fifth annual report, I am more than satisfied that there is a housing crisis in Canada today.

I am deeply shocked that the Prime Minister and members of the government should take their present attitude with regard to such a serious question. The government has done very little over the years to face up to the housing shortage. Something was done by a former minister of labour, the Hon. John R. Nicholson, who arranged a symposium across the country. He did not reveal the results. They were probably too shocking. When the present government was elected, the Minister of Transport assumed the portfolio of housing. He wanted to do something about this matter. He set up a task force on housing to determine the problems and find the solutions.

• (5:40 p.m.)

We in this party have said that the task force report was inadequate and fell far short of dealing with the problem of housing today. The great merit of the task force report on housing is that it underlines the housing crisis in Canada and brings to light important questions on housing for nation-wide debate, such questions as the philosophy of housing, public

and private financing of housing, public ownership and development of land, public housing and home ownership, the need for regional forms of government and the multitude of related problems dealing with these areas. This is the merit the housing task force report has shown.

The task force under the guidance of the Minister of Transport was so determined that the housing needs of Canada and the financing arrangements should be left to the private sector that it missed many of the serious aspects of the problem. The task force was less bold in its order of priorities. It was intent with making home ownership more accessible to the middle income groups and failed to face up to the magnitude and urgency of the housing needs of the low income group. This is why there is nothing in the report for one million Canadian families with incomes below $5,500. This is why the task force recommended a halt on public housing projects until a study could be made of the psychological, moral and economic aspects of public housing. They were baffled by the problem of why the housing needs of the low income groups could not be met through the private market, and instead of solving this problem they used public housing as the whipping boy for the failure of the private market.

The criticism that has flowed from this report, more especially from the Canadian Federation of Mayors and Municipalities and such organizations as the Canadian Welfare Council, has exposed the main weakness of the report and imposed on the Minister of Transport, in charge of housing, the responsibility for the failure of the report in this urgent area. The minister became sensitive to the problem and made a token attempt by announcing to the house a few days ago an experimental public housing project in Ottawa by building 518 low rental and condominium housing units. This was tantamount to giving a naked man a handkerchief to clothe himself.

The record of this government on public housing is the most shameful of all the countries in the western democracies. Since 1951 the government has built approximately 40,000 public housing units or less than 1 per cent of the total housing stock in Canada. In England the public housing stock is 30 per cent, in Sweden 25 per cent, and even in the United States it ranges between 1 and 2 per cent with a massive public housing building program having been recently undertaken.

In 1968, Mr. Speaker, the amount invested by the federal government in public housing was approximately $116 million, representing 10,000 public housing units. The estimates for 1969 do not show any substantial increase in government spending in this sector. This exposure of government intention indicates its minimal concern for the most serious sector in the housing crisis today.

The minimum target in solving the low income housing problem should be between 20,000 and 30,000 public housing units a year, requiring an investment of approximately $300 million annually. If we accept the task force target of one million dwelling units over the next five years and the requirement of $20 billion for financing purposes and the necessity of $3.5 billion in public funds or an average of $700 million annually, the government must announce a program related to the projected requirements of the different income groups.

The government should set forth the amount of moneys to be allocated to (1), direct loans to the private sector; (2) public land assembly and servicing; (3) limited dividend and non-profit housing projects; (4) public housing and co-operative housing and urban renewal; (5) the purchase of existing properties and income supplements. This information would give an indication of the government's plan with regard to the number of units, the types of units and the financing requirements to achieve these results. The Minister of Transport has not done this. He has not indicated the breakdown of the $700 million minimum requirement and is depending on the private builders to exercise their social conscience in this critical area.

The minister does this in the light of his statement before the Standing Committee on Health, Welfare and Social Affairs dealing with the housing estimates when, on March 18, he said:

> But although we are building housing as never before in our history, there are serious inadequacies and imbalances in our production. Last year's exceptional level of starts was weighted very heavily in favour of apartments. No one denies the continuing need for rental accommodation in multiple high-rise buildings. But there must be a better balance between rental and ownership, and between high-rise, single family and row housing so that Canadians can have a proper selection and choice according to their needs and tastes.

He stated the problem, Mr. Speaker, and then did nothing to indicate a solution. The task force report indicated that the financing of homes in recent years has been on the

basis of 42 per cent institutional financing, 40 per cent by direct cash financing and private financing, and 18 per cent by government financing. The record clearly proves that the financial institutions in recent years have not ensured a steady flow of financing and have directed their money into shopping centres, luxury apartments, office buildings and commercial projects which yield a high return on their investment. They have not indicated any real social responsibility for the housing needs of the middle and lower income groups in Canada. In fact last August, Mr. Speaker, in the face of another poor housing record, the Minister of Transport called to Ottawa representatives of the insurance and banking institutions of Canada and asked for financial help. There was no response. In September the minister had to allocate $170 million of public moneys for direct loans for single family units and condominiums.

In the light of this experience the minister indicates an unearned trust and confidence in the financial institutions by stating, "I have contacted the financial institutions and from initial response, it appears an adequate supply of financing will be available to support an expansion in home-building activity". Greater love has no man for private enterprise than he who places his trust and confidence in institutions with past records such as they have.

• (5:50 p.m.)

In the house the Prime Minister said it was not the intention of the government to set up a separate ministry of housing and urban development. In the standing committee in reply to a question by myself the Minister of Transport stated he did not consider it one of the most important recommendations in the task force report. In the house the Minister of Finance stated that he would not lift the 11 per cent sales tax on building materials. In the standing committee he stated that no action would be taken by the government until the government revenues had increased sufficiently over expenditures. On the matter of interest rates, which I categorically say amount to usury and are a major component in the high cost of homes, the minister said he thought it wise to free the N.H.A. fixed interest rate which at present stands at 9⅜ per cent. He said that the proper rate was between 1¾ and 2½ points above the average long-term rate affecting government of Canada bonds. Clearly, on that reasoning he is content to leave mortgage rates at between 8½ and 9 per cent.

I need not remind hon. members that on a mortgage of $18,000 at 8¾ per cent amortized over 25 years the mortgagor will pay almost $50,000. I am shocked at the statement by Central Mortgage and Housing Corporation to the effect that beginning on April 23 there will be a new mortgage arrangement under which N.H.A. lenders will be able to write mortgages having an initial minimum term of five years, although payments are to be based on an amortization period of at least 25 years. It is thought that this will give greater flexibility to borrowers and lenders. Can you not see the picture, Mr. Speaker? At the end of five years the mortgagor will have to renew his mortgage. He will be in a very weak position in bargaining with financial institutions over new mortgage rates. Borrowers will find that banks, insurance companies and the other lending institutions of this country get together and agree on the rates they will charge on mortgage loans. Not being able to bargain, the borrower will be forced to accept high interest rates imposed by our financial institutions.

Since the minister refused to set out in clear terms the government's program—I am referring to the Minister of Transport, of course—and since he had certain well known ideas concerning institutional financing, sales tax, interest rates and mortgage terms, the only area left for him to deal with was the area of land. I think he will be the first to admit that the cost of land is a major component in the high cost of homes. The idea of making money available to municipalities and provinces so that they may buy large tracts of land to be serviced and, hopefully, bring down the price of homes is laudable. Yet I heard the minister say in the standing committee that he was not interested in implementing a capital gains tax. He suggested that the problem of land costs would be taken care of by the new land banks which were to be established. Hearing him speak made me realize that he knew little about land costs and little about what was going on. Certainly he had no solutions.

Since the minister has no philosophy in the field of housing the logical question to ask is, what would we in the New Democratic party do to solve current problems? Briefly, our philosophy is that every Canadian, as a basic human right, is entitled to adequate housing at a reasonable cost. That is why we demand that the federal government show leadership

in the field of housing and urban development. We would set up a separate ministry of housing and urban development. We would determine this country's housing needs, coordinate programs with provinces and cooperate with provinces and municipalities in determining this country's housing needs. Also, we would determine this country's financial requirements in the field of housing and establish priorities for a building program.

Mr. Caouette: At what rates of interest?

Mr. Gilbert: We would set a target of 250,000 homes to be built, 50,000 of them to be public housing units. We would also have the proper mix between public and co-operative housing.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member but his time has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Gilbert: Mr. Speaker, may I thank hon. members for their courtesy. I was speaking of our target of building 250,000 houses to take care of the shortfall in housing and that we would have the proper mix of public and co-operative housing. Our target would be to have 50,000 public housing units. Altogether we would wish 60 per cent of our housing to be private, 25 per cent to be public and 15 per cent to be co-operative. Also, we would ensure a steady flow of mortgage moneys to the housing field, either by persuading financial institutions to lend or, if necessary, by legislation.

We would set up a crown building corporation specializing in public and senior citizens' housing. By having close liaison with provincial housing corporations and municipalities we would ensure that the latest building techniques are used and that the benefits of research programs are fully felt. We would inject massive amounts of public money, up to $1.5 billion, into programs for the acquisition of land banks. Under such a program federal, provincial and municipal governments could acquire serviced land. Under that program we would also finance public housing, co-operative housing, various types of home improvements and urban renewal.

If necessary we would supplement rents and subsidize interest rates until those rates have fallen back to their proper levels. The hon. member for Témiscamingue (Mr. Caouette) wondered what interest rates would apply to moneys lent. We would fix interest rates at 6 per cent, and the federal government would pay a subsidy of half of any amount paid on interest rates above 6 per cent. We would retain the 11 per cent sales tax on homes costing more than $25,000. On homes costing less than $25,000 we would use a tax credit in order to help the purchaser with the down payment on his home. We would also introduce a capital gains tax on land, to drive out land speculators. Lastly, we would set up some sort of research department to determine the type of accommodation needed in this country and to examine all social and environmental factors. Of course, we would make sure that the latest building techniques were used.

These proposals, Mr. Speaker, would be but a first step in building a Canada which puts people first and which will ensure a good life for all Canadians. This is the New Democratic party's version of a just society.

Mr. Walter C. Carter (St. John's West): Mr. Speaker, replying to a question of mine of February 5 of this year, the Minister of Finance (Mr. Benson) revealed that the government did not intend to accept the recommendation of the Minister of Transport (Mr. Hellyer) that the 11 per cent sales tax on building materials should be removed. As the house knows, the report of the task force on housing which the minister headed recommended strongly that the 11 per cent sales tax should be abolished. That recommendation was made after the minister and the task force had visited every province and every major centre of Canada. Having seen existing conditions in the field of housing, the minister felt that the 11 per cent sales tax ought to be abolished, thereby making houses available for many who otherwise would be unable to buy them. I believe the Leader of the N.D.P. pointed out that the 11 per cent sales tax on building materials pushes the price of the average house up by about $500. In addition to the 11 per cent federal sales tax, there is a provincial tax on building materials. In Newfoundland this is 7 per cent. On top of that, there is a mortgage insurance fee administered by C.M.H.C. which again increases the cost of a house by 2 per cent of the amount

being borrowed. In the case of a person borrowing $18,000, this means he pays a $360 mortgage insurance fee.

• (6:00 p.m.)

Hon. members may recall that during the late show on February 6, I pointed out that the Minister of Transport had been repudiated by his colleagues in that his recommendation for the removal of the 11 per cent sales tax had been pushed aside. I said the only honourable thing he could do was resign. He has now done the honourable thing. I regret it took him two months to do it but he has faced the facts, and I admire him for it.

The task force report recommended that the 2 per cent mortgage fee be cut in half. I believe this fund was started in 1954 and since that time has grown to $224 million. Out of 800,000 loans made only the small number of 6,000 claims have been made against this fund. Therefore, I urge the government to accept this recommendation to reduce the fee, if not eliminate it altogether.

The report also made considerable reference to public housing. There are certain sociological problems involved in public housing. I am of the opinion that the whole concept of public housing as we know it to date is wrong, in that it brings poor people together and throws them into what I believe will eventually become ghettos. There is quite a lot of public housing in my constituency, and I disagree with the method through which rents are collected and assessed.

Public housing rents for 1969 are based on incomes in 1968. If a person made $2,000 or $3,000 extra in 1968, through overtime or by engaging in extra work, his rent this year is assessed on his increased income of last year. If his normal income were $3,000 but he made $5,000 last year, his rent this year will be based on the $5,000 figure. This deprives public housing tenants of the chance to accumulate enough money to buy or build homes of their own. It destroys their initiative. They know that if they work overtime and earn more money, some 27 per cent of that extra money will go to pay rent.

The Prime Minister's optimistic comments today will do little to impress my constituents. I am thinking of the hundreds of people who tonight must see their children go to bed in substandard houses. They will get little consolation from the Prime Minister's words.

The average per capita income in Newfoundland is $1,173, compared with the maximum average of $1,988. According to computations made in 1967, 34 per cent of Newfoundland families would qualify for mortgages of only $10,000 at then prevailing interest rates. Building costs in Newfoundland in 1967 were $30.54 per square foot, as compared with the Canadian average of $12.54 per square foot. The people in the maritimes, especially in Newfoundland, have the lowest per capita incomes in the country and the highest building costs. In addition, according to a C.M.H.C. booklet that I have in my possession, they have the highest average land costs in Canada. In these circumstances, what chance does the average family man in the Atlantic provinces have of being able to own his own home?

We must admit that the Central Mortgage and Housing Corporation has done a reasonably good job in recent years, but it is catering more to the upper middle classes and the wealthier people. To those who can occupy subsidized rental accommodation, C.M.H.C. is of no use whatever. One must remember that a man who earns anywhere from $4,000 to $6,000 is too well off to qualify for subsidized rentals. In fact, in this regard there is a ceiling on the income which a man can earn. But having got that salary of anywhere from $4,000, $6,000 or $7,000 a year, he cannot qualify for a National Housing Act mortgage. So, there he is caught in the economic squeeze. As I said before, he is too well off to be able to move into and enjoy a subsidized rental house and does not have the required income to qualify for a National Housing Act mortgage. These are the people who should be given every consideration because they and their children are just as entitled to a decent place to live as anybody else who lives in Canada.

• (6:10 p.m.)

I agree with one of the other speakers who said that the government and the Prime Minister are hiding behind the constitution in order to avoid the responsibility they have to the people of Canada, especially in the area of housing and urban renewal. We have extremely high interest rates, we have high building costs and high priced serviced land. If all these things are thrown together, then we do not have a healthy society in which there is a good opportunity for a person to acquire a house.

With regard to the urban renewal recommendations in the task force report, I can speak with some personal knowledge and

experience. I have had experience in respect of urban renewal and land assembly. I would again urge the government and the new minister of housing, whoever he might be, to take a very serious look at the amount of red tape that is involved. I know that in St. John's it took something like seven or eight years to obtain approval and have a start made on a land assembly area. While I do not mean to suggest that all the delays are caused by the federal government and Central Mortgage and Housing Corporation, I do say that the biggest contributing factor to the delays involved is the red tape in Central Mortgage and Housing Corporation. I believe I can cite another case in my riding where plans have been made for an urban renewal scheme for close to a decade. So far as I can find out the plans for that scheme are still on the drawing board.

I do not think it is right to build up the hopes of the people or give them the impression there will be some grandiose scheme for urban renewal and so on, then keep them dangling for five, seven and sometimes ten years. I urge the government and the new minister to take a very serious look at this red tape and do what they can to have it eliminated. I would also ask the Minister of Finance (Mr. Benson) and the government to show a little kindness and compassion for the less fortunate people by no longer concentrating on the large financial interests. I ask that they think about the need of the newly married Canadians, the people in the middle and low income brackets who, without this help, understanding and compassion, can never hope to own their own homes.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, it was certainly an amazing speech we heard today from the Prime Minister. This debate is being held today because the minister in charge of housing, the Deputy Prime Minister, the man who was at least formerly the number two man in the government has resigned. One would have thought—and I am sure the public expected—the Prime Minister (Mr. Trudeau) would have taken this first opportunity to explain to the people of Canada and members of parliament why the man in charge of housing resigned. What were the differences between the minister and the Prime Minister? What did the minister want to do that could not be done? Did the minister's plans with regard to improving the housing stock in Canada flounder because the Prime Minister and the Minister of Finance (Mr. Benson) said there is not sufficient money? Or did they flounder because, as the minister said in his press conference, the Prime Minister's views on the constitution are so rigid that he could not proceed? Surely, the people of Canada were entitled to expect that the Prime Minister would come into the house and explain precisely what happened.

Instead, the Prime Minister came into this house and gave a speech which sounded as if he were reading a shopping list. He gave us a list of the tremendous things which have been done in the field of housing under this government. He ignored completely the Minister of Transport. It was as if the minister did not exist. I could not help but be reminded of the way the late dictator of the Soviet Union used to deal with his colleagues with whom he disagreed. When Stalin disagreed with somebody he became a non-person; history was immediately rewritten as if he never existed. That is what the Prime Minister did today. It was as if Mr. Hellyer had never existed, was never in this parliament and was never a minister or in charge of housing.

I suggest that the Prime Minister ought to have dealt with the issues raised by the Deputy Prime Minister or I suppose now the former deputy prime minister. A number of excellent speeches were made here this afternoon but I submit there was no more damning indictment of this government made here today by members of the opposition than was made yesterday by the minister. I should like to place on the record some of the things the minister said to which I believe the Prime Minister should have replied. I see the Minister of Labour (Mr. Mackasey), the chief hatchet man of the Liberal government, is here. I hope he will take on the job as he has taken on so many other unpleasant tasks for the government. The fact that the minister is in this house, I suppose is an indication that there is no imminent settlement of the Air Canada strike. Otherwise, he would be getting his picture in the paper. I do not blame him for that.

Let me quote a few of the statements made by the Minister of Transport as reported in the *Globe and Mail* for Friday April 25. Mr. Hellyer said that the interpretation the Prime Minister placed on federalism was as follows:

> —a theory of ten virtually autonomous provinces held together by the strings of a fairly weak federal government.

He said further:

> I can't personally accept a theory of federalism which, however attractive it is in principle, is not viable from the standpoint of meeting the

needs of a highly industrialized society and meeting the real problems created by the technological revolution.

The article continues:

Mr. Hellyer said he does not believe national unity can be achieved unless people's real problems are met. Even in Quebec, he said, people are worried about issues like property taxes and inflation although some, like the students and some civil servants, would put the constitution first.

He began his interview by saying:

I don't think the little people of my riding can wait until the constitution is reconciled before we have a more aggressive housing policy. I just don't think the kids who use the beach where I swim can wait forever to make sure it isn't polluted as it was last summer.

That is what the number two man in the government said yesterday about the government. What did the Prime Minister say in reply? Nothing. In speaking today I could not fail to comment on the complete absence—with the exception of the hon. member for Don Valley (Mr. Kaplan) who having been born with two silver spoons in his mouth would not know what people in the low income brackets need or want—of a speech by any of the tremendous number of Liberal members from the cities of Canada.

• (6:20 p.m.)

Every seat in the metropolitan Toronto area is represented by Liberals. A substantial number of seats in metropolitan Vancouver are represented by Liberals. Half the seats in my city, or in the metropolitan area, are represented by Liberal members. Of course, we do have the Minister without Portfolio who was the number two man under the former Minister of Transport, but one could not expect him to know about the housing needs of the ordinary citizens of Winnipeg because he is not an ordinary citizen. He is one of the fortunate few; one of the wealthiest men, they say, in the province of Manitoba.

Where are all the representatives of the urban people of Canada? They are completely silent. They have not got the guts to say anything about their great leader on whose coattails they wafted into office in the last election. Surely, we can get more from the Prime Minister than criticism of the leader of my party because he moved a motion to discuss the reasons given by the former Minister of Transport (Mr. Hellyer) for his resignation, namely that the Prime Minister's views on the constitution were so rigid that, given those views and his positions, it is impossible to take steps to meet the housing needs of this country.

[Mr. Orlikow.]

We heard a great deal from the Prime Minister about how much more we are doing for housing this year than we have ever done before. What the statistics given by the Prime Minister avoid is information in respect of whom we are doing this extra work. For whom are we building these houses? We are not building fewer but more and more homes for those people in the upper income brackets.

The cost of a modest home in the city of Toronto today is now $30,000 plus, and this is at an interest rate of close to 10 per cent. How many people are there in this country or in the city of Toronto who can afford to pay that price for a house? I know of people who live in the city of Toronto—teachers, school principals, social workers, etc.—who are receiving salaries which, ten years ago or even five years ago, they would have thought would give them a life of relative luxury. These people are taking extra work on weekends because the cost of meeting their mortgage payments does not leave them enough to cover the ordinary costs of food, clothing and educating their children.

That is the situation, yet the Prime Minister comes here and tells us we are doing more than we have ever done before. Of course we are doing more than before, but for whom? We now have a mortgage rate of 9¾ per cent. With the government's policy of adjusting the rates every three months, we can be certain that with the next adjustment the interest rates will be close to, if not more than, 10 per cent. How many people are there in this country who can afford to pay that kind of interest rate?

The Prime Minister stood in the house today and told us that all is well in this country, that the people do not have to worry because the government has this whole matter well in hand. I am not going to put the statistical evidence on the record today because my colleagues, the hon. member for York South (Mr. Lewis) and the hon. member for Broadview (Mr. Gilbert) have already done so. I do want to put on the record a few of the comments made by people who are experts in the field of housing needs for people in the low income bracket.

Let me refer to the task force report which we in this group do not have to defend, and will not defend. We have a Prime Minister who forces the resignation of the Minister of Transport, who is in charge of housing, because the Prime Minister is not prepared to

implement the necessary steps recommended by the task force.

I received a copy of a communication forwarded to the Minister of Transport, the hon. Paul Hellyer, by the Age and Opportunity Centre, Inc. of Winnipeg. This document is dated April 17, 1969. Let me read a couple of these paragraphs to dispel the complacency of the Prime Minister in respect of what the government is doing. The first paragraph reads:

> The most glaring omission in the report of the task force on housing is that it ignores the need by those earning under $5,500/year for housing, which, at present, they can neither afford to rent nor buy. Since more than half of the elderly in Canada fall into this category, this is doubly unfortunate. Provision must, therefore, be made to include legislation which will allow this large segment of our population to live in decent accommodation.

Having turned down the Minister of Transport, what chance is there that the government will agree to that kind of suggestion? The brief then states:

> The report makes no mention and no provision for supplying funds at a reasonable cost for the preservation and rehabilitation of deteriorating housing stock. Many old homeowners find themselves unable to live on reduced incomes, pay higher taxes, and keep their homes in a state of repair.

The brief then states, at page two:

> The National Housing Act should be broadened to make mortgage funds more readily available for the building of apartment or hostel accommodation for the elderly, whether it is being financed by a profit or non-profit corporation ... Since high interest rates directly affect rent structure, everything must be done to keep the interest rates low.

My colleague, the hon. member for Broadview, indicated that our party believes the interest rate should be fixed at six per cent. The Prime Minister said two days ago during an interview with a writer from the Toronto *Telegram* that there was no money for new programs unless old programs could be liquidated. He is not likely to adopt a policy of subsidized rent.

Let us look at what some of the experts said about the task force recommendations. Michael Wheeler, who is the housing expert for the Canadian Welfare Council, said, as reported in the Toronto *Globe and Mail* of January 31, 1969 in reference to task force recommendations:

> The critical flaw in the report is that it would halt those measures that now offer some hope to low income groups without offering anything definite in their place except pious suggestions for further research and study.

Later in the article it is stated:

> The welfare council had called in an earlier policy statement for expansion of Canada's public housing program "as the most direct means of helping those in the worst housing conditions. The council also urged policies to avoid the stigma attached to public housing, including "a general housing allowance" for low income families to rent or buy homes.

There is nothing of that kind in the government's program.

Let me refer to what Leon Kumove, head of Toronto's social and community planning services, said about the task force report:

> It made far too many generalizations about the nature of public housing. Some of it is bad, but some of it is also good. You must change public housing, you cannot eliminate it. The report is superficial.

This is from the *Globe and Mail* of January 3, 1969. The article then states:

> Humphrey Carver, former chairman of Central Mortgage and Housing Corp.'s advisory group, said not one of the seven task force members had any previous knowledge of public housing or urban renewal.
>
> "These are two of the most difficult subjects. The task force was battled by the problems it encountered, said it didn't like the whole idea of public housing and recommended it to be virtually stopped. This is an elementary attitude to take and it has done great damage to the whole cause of getting housing for low income families. Because of that report, a lot of people will go without proper housing".

• (6:30 p.m.)

Mr. Carver was right, because we had had a freeze by this government on the approval of public housing projects. A number of speakers from all parties have already mentioned that of the total number of housing units built in this country since the end of world war II, less than 1 per cent have been of the public housing type. Yet the government has seen fit to freeze the approval of any new public housing projects. I have spoken before, as have other hon. members, about public housing. There is a great deal wrong with public housing.

If you come to my city, in the corner of the constituency represented by my colleague the hon. member for Winnipeg North Centre (Mr. Knowles), you will see a new public housing project. I do not know who drew the plans. It certainly was not somebody from Winnipeg. They must have been drawn here in the maze of the bureaucracy of Central Mortgage and Housing Corporation. There are brick fences around that project, and a person going by it

cannot help but think he is looking at a prison. Having made that criticism of the project, I want to say that the project itself and the facilities in it are infinitely better than the facilities and houses in which the people were living before they moved into the project.

The Minister of Transport and his task force did not ask the key question which they should have asked when they were travelling the country looking at public housing projects. The question is not, "What is wrong with this project?" but, "Do the accommodations in this housing development compare with the housing accommodations and conditions in which you lived before you came here?" If the task force had asked that very simple and elementary question, I am certain they would have received a 100 per cent response that with all the faults and criticisms one can make of public housing units which are built in this country, the people living in them are infinitely better off than they were when they lived in the slums from which they came.

That is the situation which exists. That is the situation we ought to be moving to correct. It is the situation which the Minister of Transport was examining. I may not agree with some of his proposals for solution, but one cannot gainsay the fact that the minister was interested in the problem. One cannot lose sight of the fact that the minister was committed to improving the environment of people living in slum conditions, those living in the deteriorated cores of the cities of Canada. I am sure the Minister of Transport is enough of a pragmatist that, had he continued in office and seen that the proposals he enunciated in his task force report could not or would not work, he would have come up with better solutions. But the minister has resigned.

I say now as I said when I began my speech, that the people of this country have a right to know why he resigned. The people of this country have a right to know what, if anything, the government proposes to do about housing for the millions of people in the low and middle-income brackets who either cannot obtain adequate housing accommodation or can only do so by cutting back on necessary expenditures for food, clothing, modest recreation and so on.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member, but his time has expired.

Hon. Bryce S. Mackasey (Minister of Labour): Mr. Speaker, it was not my intention to participate in this debate.

[Mr. Orlikow.]

Some hon. Members: Oh, oh.

Mr. Mackasey: I made a mental note many months ago not to let the Socialists prod me into debate, because in the few months since this session began I have found that nothing has changed in their quarter of the house. They lost a leader for a little while. That did not seem to do them any harm, and his return does not seem to have done them much good. But he is still one of my favourite members of the House of Commons.

An hon. Member: How does Durante feel?

Mr. Mackasey: Mr. Durante will be back. Listening, as I have, for most of the afternoon to speakers from the Socialist group I have found, as I anticipated and have learned through the years to anticipate, their usual subtle method of comparing class with class. They do this in the hope that one day they may pick up enough of those votes to form a respectable part of the House of Commons.

The hon. gentleman who just resumed his seat made, in a disparaging way, a few choice observations about the hon. member for Don Valley (Mr. Kaplan), whom he said was born with a silver spoon in his mouth. It does happen in Canada that one can be born into this class of society and still show an interest in the democratic process of the House of Commons. This is not true of Socialist countries, because people there are born with no spoons on the table, let alone a silver spoon in their mouth.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Have you ever been to Sweden?

Mr. Mackasey: Yes, I have. Sweden is a great country; you wait six and half years there for a home. That is a great Utopia; everybody is equal and on the same level. They are all poor and everybody waits six months for a home.

An hon. Member: You said six years just now.

Mr. Mackasey: Sweden is not the only Socialist country or régime that the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) can tell us about. Since he raised the question of Sweden, he might tell us about the 16 or 17 disastrous years in Saskatchewan, when they had no unemployment because people left the province faster than jobs disappeared. There were no border points, no immigration laws, no customs. If this was Utopia, Socialism at its best, the

land of milk and honey, I do not know why the people of British Columbia, Alberta and neighbouring provinces did not all flock into this Socialistic Utopia which the hon. gentleman eventually left with disastrous consequences. He finally became pragmatic and left the province. I shall not refer to his seat, because he changes it so often that in ten years I have not been able to keep track of his latest riding.

If the Minister without Portfolio from the province of Manitoba is one of the more fortunate Canadians who does not have to concern himself about owning a home, who does not have to concern himself with all the day-to-day problems of earning a living, it is all the more to his credit that he has given up a life with a very leisurely pace, sought election, and come to the House of Commons to meet some Socialists. The Minister without Portfolio has shown by his performance here that he cares for his fellow man regardless of his situation in life.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I have not seen any of it.

Mr. Mackasey: Someone today alluded to the fact that possibly the Prime Minister (Mr. Trudeau) could not understand anything about poverty since he comes from a wealthy family in the riding of Mount Royal. I am a little disappointed at the hon. member's contribution, because the hon. gentleman who made it does not usually make this type of attack. I have never had to resort to it, and I do not know why he had to do so. I say in all sincerity that it will be a sad day when the House of Commons is limited to members who, for one reason or another, have an income of so high and no higher.

• (6:40 p.m.)

To accuse the Prime Minister of Canada of not being aware of the social problems of this country simply because he is a very well educated man, simply because he represents a wealthy riding and simply because he is wealthy himself, indicates a flagrant ignorance of the background of the Prime Minister. There is no man in this house who has devoted more of his time, more of his money, and more of his talents to the poor and to the labour class as well as to the trade unions of this country than he did in the 1950's when he and one or two other people had the courage and the nerve to stand up to Mr. Duplessis, not only for the unions but, as the leader of the New Democratic party knows, in the case against the Jehovah's Witnesses. So I do not think the Prime Minister of this country has to take second place to the hon. member for Winnipeg North (Mr. Orlikow) who just sat down.

We thought that this debate would be on housing, and I will say in all sincerity that members of the opposition, who are in general a pretty responsible group, have stuck to the issue of housing. This is a house of debate. The hon. member for Hamilton West (Mr. Alexander) made what I thought was a very pertinent, honest and useful contribution to the debate as a member from an urban riding. The purpose of the House of Commons is to debate and criticize without resorting to personalities. But unfortunately the New Democratic party has chosen to fight this issue not on the question of housing but on the question of the constitution.

Mr. Douglas (Nanaimo-Cowichan-The Islands): That is what the Minister of Transport resigned over.

Mr. Mackasey: The Minister of Transport did resign over that, and I might say about him that he is a most honourable man; he is a man of integrity and a man who had the courage to resign on a matter of principle, which has happened all too infrequently in Canadian history.

In speaking about the constitution—and that is the subject on which the New Democratic party has decided to fight—I am at a tremendous disadvantage in one way and at an advantage in another way. I come from a part of the country where people are perhaps more preoccupied with the constitution than the more pragmatic English speaking people in the rest of the country. Perhaps the reason for this is that I have one foot in each culture and I get exasperated with both. I can understand the average Canadian's concern about housing. I used to be parliamentary secretary to the minister who was concerned with housing, and I can remember making a speech here on that issue and referring to the red tape which prevented public housing in my riding. I remember personally starting the agitation for a project because someone asked me why I did not stop talking and do something about it. I did something about it in March of 1967. Here we are in April of 1969 and my city is just now turning over the sod for the building of a home for senior citizens. At that time there was no apparent reason in the world for holding up the project except

for the red tape on the part of the federal, provincial and municipal governments.

This is really the crux of the matter in the housing problem of this country and, I suspect, the problem which bothered the Minister of Transport—the inability at the federal level to cut down the red tape and, as someone said, to get down to the nuts and bolts and to help the man in the street. He does not care about the constitution; all he is interested in is a roof over his head.

I share the concern of the Minister of Transport. It is all too easy for members of this house to say, as the New Democratic party members have said today, "Disregard the constitution; the constitution is there to serve the people." I have heard the ringing phrases of the hon. gentlemen. It is all too simple to say that the constitution is there and that it should be there to serve the people. If it does not serve the people because it is out of date 100 years later, it must be amended. I think we should all hang our heads in shame—and this includes all levels of government and all Canadians—that we have not even been able to find a formula to bring the constitution back to this country, or the amending of the constitution back to Canada. This is no more the fault of this government than it was the fault of the government when the opposition was in power and when, with Davie Fulton, they tried to find a formula. But perhaps hon. members opposite have short memories.

When I say I am at an advantage as a Quebecker in understanding constitutional problems, it is because I have lived there for 48 years. My disadvantage is in not being a member of the New Democratic party so that I am unable, no matter how many documents I have here and I have too many of them, to understand the philosophy of the New Democratic party on the constitution. Perhaps someone can tell me what it is, but I have six documents here and in each one there is a different version. I will try to pick out a few.

Just in case people think that the Prime Minister is hung up on the constitution to hide the frustration of the government or as an excuse for what is considered in some circles to be slow progress in the field of housing, let me make it clear that it is not only the federal government that is concerned about the constitution. The provinces are concerned about it. It is not only the province of Quebec that is concerned about it. As a Quebecker I resent the implication that it is only Quebec that is concerned about the constitutional problem. I know that the members from Halifax and others are much more familiar with the report of the task force on housing than I am, but I should like to quote from a Canadian Press release in a Toronto newspaper of February 24, 1969, with regard to a document that was submitted by the province of Ontario, not the province of Quebec although Quebec endorsed it, about the constitution. Part of the article reads as follows:

Position papers released by Ontario and Quebec delegates after the meeting indicated Mr. Hellyer was told the federal government should not expand much into the housing field—a provincial jurisdiction—

That is not the Prime Minister talking; it is not the backbenchers here using excuses; it is not the ministers explaining away inactivity. This is from the government of Ontario—a Tory government.

Some hon. Members: Hear, hear.

An hon. Member: Never trust a Grit.

Mr. Mackasey:

—beyond the present role of providing most of the public funds.

That is the Ontario position, not the Quebec position. The provinces say: "Stay out of our affairs. Provide us with more money and we will do the job". That is what they are saying. I share the opinion and the frustration of the minister who has resigned that the constitution needs change, and I will talk about it in a moment. Let us first get the decks cleared and try to understand who is complaining and who is insisting in 1969 that the constitution be respected in the field of housing. It is not the federal government but the provinces, not necessarily only the province of Quebec. I am quoting from the submission of the province of Ontario to the task force in February of this year. I will read some more of it.

Ontario's paper was brusque in warning Mr. Hellyer against any attempts to establish direct relationships with municipalities.

Who warned Mr. Hellyer not to come into direct contact with municipalities? Was it the federal government? Was it the Prime Minister? Was it the opposition? No, it was the provincial government of Ontario which, quite properly, pointed out that as long as the constitution is written as it is we should respect it. I have sat here and heard people from the opposition ranks say to the federal government, "Stay out of the field of provincial

affairs. This is why we have trouble. You are arrogant. You are entering into provincial jurisdictions. These are no longer the days of Mackenzie King. The provinces want to be strong, and they want their rights respected." What do the provinces want us to do about it so long as the constitution is there? One speaker said today that it is not the Bible, it is not something written on Mount Sinai, it is not sacred. Yet it is, because it is the constitution of this country until it is changed.

Mr. McGrath: Where does that leave the have-not provinces?

Mr. Mackasey: I will get to that subject in a minute. Mr. Randall, who probably wrote this article, and if he did not someone in his office did, also said the following:

"Few actions could do more damage to the working out of a more rational federal system in Canada than the inevitable confusion and upsetting of priorities which would occur if our federal system were short-circuited", the paper said.

• (6:50 p.m.)

This is the position of the province of Ontario, not of the province of Quebec. All the provinces except British Columbia sent delegations led by the cabinet minister responsible for housing. To the best of my knowledge not one of them got up and said: Let us see our jurisdiction in the field of housing transferred to the federal government where it should logically be because of the massive sums of money needed and the direct action required to deal with the housing crisis in this country. Even in a unitary state like Sweden, you wait six years for housing. I will not talk about the iron curtain countries where there is a dictatorship. I and others went to Poland and saw what type of accommodation is available for the workers. And there is no red tape or divided jurisdiction there. We should not say that everything in this country is bad. That is one of the great faults we have as Canadians. You can deprecate the remarks of the Prime Minister (Mr. Trudeau). You can say he is emphasizing the wrong priorities. You can say he is too rigid. How is he rigid? He is rigid because he understands the constitution, and understands the problems. He is saying we want a strong federal government and that the provinces need to be strong, too. Is he too rigid when he says to the provinces: If you want to raise monies, then raise your taxes? Is he too rigid when he tells a province to stay out of the federal field? Is he too rigid when he says we shall build an airport in Sainte Scholastique and not in St. Jean because this is a matter within federal jurisdiction and we refuse to play petty politics? Is he wrong, there?

I have heard opposition speakers say: You have no right to do certain things because you are interfering with provincial jurisdiction; you have not consulted with the provinces. I have heard that word "consult" ad nauseam. Now, the Prime Minister is saying: This is our area of jurisdiction and we want to be masters in it; if a province wants to be master in areas which directly concern it, it may. I remember that in the housing debate last year the former hon. member for Brome-Missisquoi, a good member who knew all about housing, stood in this chamber and suggested that we should establish a ministry of housing. The next day he was castigated in about every editorial in Quebec, including *La Presse* for daring to suggest that the federal government set up a ministry in what is normally a provincial field.

This is the type of thing we encounter and will continue to face until the constitution is changed. It is all very well for members of the New Democratic party to say "to hell with the constitution." That is what they are saying, in effect. They change their policy like you change your shirt. They have gone all the way from two nations to associate state; there is Cliche's version, Taylor's version, the leader's version and back again and now nobody knows what version they are following. I don't.

It is quite possible that with the latest phase of socialist thinking about the constitution that housing is a federal responsibility on the logical grounds that the situation constitutes a national emergency. It is a national emergency.

Mr. Stanfield: The Prime Minister says it is not.

Mr. Mackasey: Oh, I was doing all right until the hon. gentleman came along. I would love to keep the hatchet buried. An hon. member over there referred to me as a hatchet man; that is what got me on my feet and will keep me on my feet. This is the dilemma in which we find ourselves. There is no excuse for the federal government failing to give a lead in the field of housing. There is no excuse for failing to show initiative, if we have failed to show initiative. I agree that the criticism which has been raised today is valid if we have not placed a high enough priority on housing. The Minister of Transport made this perfectly clear. Legislation will be before

the house in a few weeks time, as the Prime Minister mentioned, and if it does not go as far as it should, then that is the time to say so. Let us not castigate the government for doing nothing in the field of housing when it is not true.

An hon. Member: Mr. Speaker—

Mr. Mackasey: If you want to say something, wait your turn and stand up.

The Economic Council said that in 1970 we would need 200,000 housing units in this country. The Council under-estimated the number, because we will reach that figure this year. We reached 190,000 last year, two years before the target date. If the problem is particularly acute, as it is in Hamilton, Oakville, Burlington and the Golden Triangle, it is because this area is a heavily industrialized part of the country and inevitably housing difficulties arise in the industrialized section of every nation.

This is true of Sweden as it is of England, that great Utopia of labour. Mr. Speaker, with all the labour discrimination that is going on there, God knows what kind of government they will have—

Mr. Douglas (Nanaimo-Cowichan-The Islands): There has not been a Liberal government there for a long time.

Mr. Mackasey: The solution there is not as complicated as it is in Canada where there are ten jurisdictions. The solution put forward by members of the N.D.P. is a simple one, and very pragmatic; I am inclined to be pragmatic myself. It is to ignore the constitution. Full steam ahead, they say, walk into the municipalities, build low-cost public housing; to heck with the constitution and the municipalities, because the man in the street wants something done. That is true. But let us stop and think. The man in the street who elected the hon. member for Hamilton West (Mr. Alexander) is the same elector who elects provincial members to office. He is the man who elects councillors, aldermen and reeves to city councils and so on.

The Acting Speaker (Mr. Béchard): Order. The hon. gentleman's time has expired.

Some hon. Members: Go on.

Mr. Mackasey: I shall bring my remarks to a close. I thank hon. members for their courtesy.

Mr. Stanfield: The only reason we raised any objection yesterday about extension of time was that a specific order had been made to enable as many hon. members as possible to participate. Now, we have reached Friday and we have all the weekend ahead of us.

Some hon. Members: Hear, hear.

Mr. Mackasey: I shared the opinion of the hon. gentleman yesterday. There was a time limit and he was quite right in invoking it. I appreciate his courtesy on this occasion. I hope he will be flying home one of these weekends. It seems to me the labour vote is coming to the conclusion that it does not need to concentrate on the socialist party to get recognition in the House of Commons.

As I was saying, the people who elect the federal government are also those who elect the provincial governments and the candidates for municipal office. Before the constitution of Canada can be changed so as to place the responsibility for housing policy and so on within federal jurisdiction, under the proper jurisdiction, it is necessary to sit down in consultation with people who are prepared to do just that. The same applies to a determination of what should be federal and what should be provincial in the field of education. The solutions will come when the people in the provinces understand that they may be attacking the wrong source. They should elect in each province, members who are prepared to attend constitutional conferences, who will agree to revise the constitution and put in the federal field those areas which ought to be federal, and in the provincial field the areas which should remain provincial. But this is not something on which action can be taken unilaterally. Anyone with common sense knows it.

Mr. Lewis: Nobody said it could.

Mr. Mackasey: You implied it. You have suggested everything. Would you like me to run through everything you have suggested in three years? I will start with Mr. Cliche.

Mr. Lewis: You are not intimidating me.

Mr. Mackasey: I am not trying to. I could deal with LaPierre, Cliche, Taylor, Gifford and a few of the others. I could tell you about Dr. Lagure. He almost won an election, he told me one night, because he managed to coral all the separatist votes in Outremont.

Mr. Lewis: Will the minister permit a question? I know how fair, how honourable the hon. gentleman is, and how careful—

Mr. Mackasey: I have used that tactic, too, and I recognize it.

Mr. Lewis: I learnt it from the hon. gentleman. Will he not agree he might be doing a great service to the government, and to this parliament, if he were to refer to the subject of this debate instead of making rather cheap electoral asides?

• (7:00 p.m.)

Mr. Mackasey: Mr. Speaker, I am not guilty of cheap electoral asides as the arrogant member has suggested. I did refer to remarks made by members of the New Democratic party and their cheap tactics used during the last election campaign; not my tactics, theirs. These tactics were reported in the *Globe and Mail* for May 22, 1968, as follows:

> We have to give to the central government the necessary constitutional authority to do the things that need to be done. We are trying to make do with a horse and buggy in a jet age.

The leader of the New Democratic party said;

> We cannot abrogate our constitutional commitments to Quebec. It may mean that in any area such as education and housing, where Quebec feels that a strong federal power may erode provincial rights, it may be necessary to have two programs—one for English speaking Canada and one for Quebec.

As a Quebecker, I say that is separatism in disguise. It is a special status no matter how you look at it. It is nothing more than a weakening of the federal government. If you want to say to the province of Quebec, you take housing, and the other nine provinces will cede their rights to the federal government respecting housing.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Can I ask the minister a question?

Mr. Mackasey: You have already asked enough questions.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I have not asked any. Could I ask the minister if by having two pension plans, which he supported as a member of the Liberal government, he feels that separatism had been introduced in Canada?

Mr. Mackasey: I would have felt a lot better with one pension plan. I voted for it because it was the only way. If you want to extend that principle to every area of the constitution of Quebec, whether you like it or not in 18 months you are going to have two countries. You may want that, I don't.

I have been talking about Quebec, but we must not lose sight of the fact the other provinces are equally jealous of their rights under the constitution. The strongest paper submitted to the task force in the field of housing did not come from the province of Quebec, but from the good Tory government of Ontario.

Mr. Stan Schumacher (Palliser): Mr. Speaker, I rise in this debate to point out the ridiculous position taken by the Prime Minister in implying there is no crisis in this country. If there was no indication of a housing crisis, why did he appoint the task force on housing as one of the first acts of his administration? Was it merely an effort to keep his deputy out of his way so he would not be reminded of some of the urgent and practical problems facing the people of this country? Was it to reward some of his important supporters in the last election?

I wish to point out some of the practical problems facing two municipalities in my constituency. The city of Calgary faces the problem of trying to house some 2,000 people which arrive at its gates every month. It has been active in the field of urban renewal and public housing for approximately five years. Both of these projects have been established as a result of action taken by previous federal administrations in recognition of a problem that has been present in this country since the end of the second world war. These programs have not had the best results because of some of the actions of recent federal administrations which have been referred to by the Minister of Labour (Mr. Mackasey). He just concluded some colourful and interesting remarks, which were not entirely to the point, but he did say that one of the basic problems is that of red tape in the administration. The problems of Calgary are clearcut examples of the red tape which this administration is incapable of cutting through. This is an admission of failure to solve the problems of housing which we face today.

Some policies of this government create housing problems which are not related to the constitutional problems faced by this nation. Housing units are being built in an attempt to solve the problems, but these people cannot afford to live in these units. High rise apartments have high rents. Why are these being built instead of units which will satisfy the needs of the people? The reasons relate to problems under government control, such as taxation and fiscal policies of the government.

For the past three or four years there has been rampant inflation. Tax policies, in conjunction with the inflation, have forced insurance companies to divert their capital from investment in single family dwellings or semi-detached units to high rise apartments. Therefore, the money has not been available where it is really needed. The reason for this diversion is that insurance companies receive an equity in the investment which affords them a much better return on their money. The city of Calgary has embarked on rather ambitious renewal schemes. These have been held up because of a freeze and lack of policy by this government. Because of the lack of these policies, the Sheganappi Village project in Calgary has been held up. If the federal government would make a decision, this project could be completed. It does not require any new programs, merely old programs to be implemented.

• (7:10 p.m.)

I do not wish to take much time, but I ought to point out a problem facing my constituents in Drumheller. That general area has been depressed for some time, largely because coal mining has stopped. Exercising commendable wisdom, the federal government decided to build a medium security penitentiary there. I believe that the building began late in August, 1967. The institution created problems because the employees needed houses. Mind you, we are not complaining about having the institution there because it would have created problems no matter where it was built. The federal government has the duty to solve those problems. Exercising a degree of foresight the federal government seems incapable of, the local authorities at Drumheller initiated an investigation. They wanted to ascertain whether it was possible to introduce some sort of urban renewal program which would make housing available for those employees working at the penitentiary. Although Central Mortgage and Housing Corporation had been involved in the program since 1965, the investigation was begun in 1968. Actually, Central Mortgage and Housing Corporation was involved in every step taken. The City had annexed some land in 1966 and 1967.

There were problems to do with low rental housing which necessitated a visit on the part of officials to the former minister in charge of housing, Hon. J. R. Nicholson. He was surprised to hear of all the impediments set up by the Central Mortgage and Housing office in Calgary.

[Mr. Schumacher.]

Now, four years later, we have reached a stage where there has been an expenditure of $35,000, half of which has been contributed by the federal government. The money has been put out in various studies and preliminary work. However, since the government seems unable to make up its mind, applications to go ahead with the scheme in our area have not been accepted. Only about 900 units are to be built under a rehabilitation scheme. No huge sums of money are involved, but the government will not act. The people of my constituency want the government to wake up and act. They want government members to quit their discussion of academic, constitutional problems and get down to business. There is no point in saying that you cannot get results under the present constitution, because you can.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, without getting into any of the matters raised by previous speakers and without talking about why the minister resigned or why does the government not resign, may I, in an effort to secure the goodwill of the whip and in a special effort to pay a compliment to Mr. John Steel, Executive Director of the first Canadian Urban Transportation Conference held under the sponsorship of the Association of Canadian Mayors and Municipalities, put a few remarks on the record on an aspect that has been touched on obliquely only. There is a dominant form of urbanization in which the lack of firm planning has resulted in gigantic agglomerations of people in a relative tangle of land uses and overworked, inefficient transportation systems, half completed expressway networks, and an urban environment which is at best chaotic and at worst deadly. We are quite likely to have super-slums on a gigantic scale and a crippled economy if we persist in our neglect of regional planning and in our inattention to the urban environment.

Who wants the kind of Canada in which up to 90 per cent of Canadians are crowded into a few overcrowded and overbuilt metropolitan areas while the rest of the country is empty and poor? What is there to prevent this, the way things are now developing? What is there in present government legislation to prevent this from happening? Nothing I suggest, Mr. Speaker.

As the Economic Council of Canada has told us, most of the inhabitants of Canada in 1980 could be living in artificial environments. About 20 million people will live in a few huge cities. Toronto and Montreal will have a

combined population of about 7 million, and Vancouver will have a population of between 1 million and 1.5 million. These three cities will have living in them one-third of all Canadians. Then, between 3 million and 6 million people will live in Winnipeg, Ottawa, Edmonton, Calgary, Hamilton and Quebec City. We shall have about 20 cities containing populations of between 100,000 and 500,000 people. They will be cities like St. John's, Newfoundland, Kingston, Oshawa, St. John, New Brunswick, Sarnia, Saskatoon, Sault Ste. Marie—

An hon. Member: Mention Stratford.

Mr. Forrestall: —Stratford, St. Catharines, Halifax, and Trois-Rivières. Altogether, it is estimated that these cities will contain between 3.5 million and 4 million people.

A gigantic linear megalopolis 600 miles long from the Great Lakes down the St. Lawrence Valley would begin to appear. Between 1961 and 1980, about 500,000 acres of land as a minimum for physical building for the 29 cities would be needed, and in total the typical sprawl which we have used is likely to take for these same 29 cities up to 1.8 million acres of land. Given the tendencies for a tidal wave of urban shadow to reach out from these urban centres, a further 1.8 million acres at least could be affected. The urban growth could reach up to 35 miles in unbroken mass from the core areas of the larger cities such as Toronto or Montreal. By the year 2000 or 2020 at the latest, the best of our farmland could have been built over or taken out of food production. But this extensive spread could in many areas have been achieved without adequate environments having been created. We have not at the present time adequately planned ahead for the structures of services, facilities, transportation rights of way, open spaces and residential, commercial and industrial balances to hope for much more than a second best environment in most of our urban areas, unless we change our ways. This will continue unless the federal government gets off its rear and tackles these problems.

• (7:20 p.m.)

The lack is not only in the machinery for planning and in the financial support that is required. There is no adequate administrative territory in most of these urban areas for the growth envisaged. There are no effective pollution control measures. There is no stability to the total environmental picture. I suggest that the lack is one of preparedness, of appreciation of the gravity and the force of urbanization which is bursting upon Canada. The growth we have seen will appear mild by what is to come.

The problem is that unless we very rapidly come to improved planning, grave errors and ineradicable problems will be firmly built into our urban systems. It is possible to create insoluble problems. The challenge today is to make ready a structure for that growth, and the future forms or patterns of urban development are the key to the whole future of our civilized society. Now is the time when we have an opportunity to do something about it.

I would ask the government these questions. Is it inevitable that we simply continue to pile up people in the very limited areas of our country which already have severe urban problems? Can we not do something to ease the pressures?

Even if the bulk of the population is to occur in a few large urban centres, is it not possible to make the new national development policy one of a moving and advancing frontier of urbanization? As an example, if Toronto is to spread to Lake Simcoe can we not organize its actual form into a "string of beads," a "constellation," a series of "linear cities", or to use another phrase current in the lingo of the discussion "hive-off" some of the growth to build a range of new settlements well into the northland and still tied together by rapid communications?

Must we continue to accentuate the traditional corridors of transport? Can we not use the networks of transport to divert pressures from such existing corridors as the St. Lawrence valley, the Ottawa River, the Red River, the Fraser, the Great Lakes shorelines and the Red River valley to parallel routes further inland?

Must we always neglect the urbanization of the old historic routes, the northern lands where there are resources but no people? Can we not design a strategy of urbanization which will gradually set up all over Canada a mesh of new urban centres, even to the creation of 30 or 50 new cities by the year 2000, cities of 50,000 population to 100,000 population each? This would have the tendency to divert from the tragedy that is the urban suffocation in Montreal and Toronto today.

Why can't we get on with the development of a new transcontinental corridor, as suggested by Rohmer in his imaginative "Canada North Development Corridor" proposal—a

corridor running 4,000 miles from Newfoundland via Labrador City, Rouyn-Noranda, Lake Winnipeg, Thompson and diverging off from there into three great areas of Canada that have not yet been touched, the first the Mackenzie River out to the Arctic Ocean, the second down the Yukon River to the Dawson area, and the third by way of the Peace River all the way through to Prince Rupert? Why can we not do this as a means of establishing a pattern of smaller related urban centres for the next century of growth?

In the Acres study, which developed Rohmer's theme, it was suggested that Canada consider creating cities of up to half a million population in areas such as Whitehorse, Hay River, Thompson, Flin Flon, the Lakehead, Noranda and Labrador City. While these may as yet be beyond our sights, would not the creation of a series of expanded towns between the existing limits of major urbanization and such frontier areas greatly speed up the process?

In the case of the largest urban centres can we not advantageously explode the new growth into the creation of a related and interacting set of cities each with a special pattern of appropriate functions, with a definite form? There are strong trends towards decentralization, and by working with them and moving imaginatively into large scale regional planning and open space reservations we might well achieve a higher level of economic activity and by God we sure as hell, would achieve a better living standard.

Do we not need a wholesale resrtucturing at all levels of our national governmental units? Can we not devise a form of region which involves a common set of large regions, in which there is a definite strategic plan, and permanently flexible contingency planning with federal and provincial levels in a contractual relationship carrying out these plans; and a set of urban areas with local government to do the urban planning within that regional context?

Should not each region move swiftly to safeguard the space for both the environmental areas and the transportation corridors? We know that land costs have a drastic effect on transportation solutions. If we do not wish to reserve the actual space are we not compelled then in some way to bring the force of our legislative power, counsel and wisdom to the controlling of land costs so that these problems can be met at a later date?

Since our economic capacities will be strained to cope with the massive growth that faces us, do we not need some new policies? Why we do we hide behind the cloak of constitutional arguments? I suggest that some of these policies might include very strong regional planning, with the power to control the intensity of land use in relation to transport capacities; a greater, perhaps even lavish use of green belt regulations to give stable units of urbanization a chance as functioning entities in the regional urban pattern; strong powers of industrial and office and commercial location so that these generators go where new towns and new satellites can be built around them; diversion of growth from areas which are considered relatively stable and "in balance" to "expanding" areas; new powers jointly exercised by the federal-provincial governments or by new regional forms of government to guide growth.

We need road protection and road pricing policies to introduce the concept of profitability into urban planning.

We need computer controlled regional networks where the right of entry and egress can be controlled in accordance with need.

We need a new approach to planning which seeks to create stable environmental units with the longest possible life, but with multiple use development to minimize external traffic generation and internal movements. We need staggered working hours, and even a slower pace of life, and that in much more compatible surroundings than what we are facing.

• (7:30 p.m.)

Can we not totally exclude the through vehicle and the mixed traffic from the centre of our cities, and make them pedestrian havens with servicing by vehicles to controlled points and at controlled hours? Should we forget about the traditional suburb and create instant cities or cities in the suburbs; or should we recognize the "scatteration" concept and instead simply accelerate the sprawl which is now occurring, trusting to the market forces to create a good environment? Does not the challenge confronting us require a much more effective technique of enforcement and development control than we now have? Even if we are to develop the regional strategies needed, do we not need a form of permanent contingency planning to cope with change? Even if we do not wish to concern ourselves unduly about the form and pattern of urbanization, have we any likelihood of avoiding massive slum conditions, severe

social pathology in the form of riots or protests against an inhuman environment, poisoned air in the overloaded corridors—higher death and accident rates—of movement, and economic blight because we have let unit costs increase beyond all reason. The sooner we wake up and learn something about the conditions in which the people live, the sooner we will have better cities and a better country to live in.

Must we persist with poisoned air? Must we continue to overload our existing transportation corridors? Must we continue to be bogged down with the economic plight we have because, through our unit cost of land and unit cost of anything, we have let any chance to create a better life slip out of our hands in terms of control.

All over the world logical answers to the problem of taming megalopolis and guiding giant city growth to human well-being are available. Canada lags notably in the application of these methods and we have neglected the basic research. The prognosis for urban Canada is grave. On this point, I believe every member agrees. But the future forms and patters of our urban development need not inevitably be more of the same. Rates of growth on the scales predicted mean we can rebuild the environment as we see fit. We should recognize then an open-ended set of demands for as long as we can foresee will be made upon the space and resources of our urban areas.

In terms of the form and pattern of urban development, we need to think in relation to the needs of 50 or 100 years from now. Even though we have little idea of how life might be lived, what we do in this massive urbanization is forever and will affect the quality of life for most Canadians for many centuries from today. What we do today in this decade will affect planning for the next 200 years if we do not do it right and do not get off our rear ends and start to act. I see my time is up, Mr. Speaker. I would have liked to have been able to go on much longer.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I know the hour is getting late. As various speakers who preceded me have taken part in this debate, I have found bit by bit some of the material which I wanted to present to the house has been used. However, they say repetition is the mother of learning. Perhaps a recap of some of the main items might be of interest. I feel this is an important and very interesting debate. I believe it has given this house an opportunity once more to review and assess its position on one of the major problems facing Canadians today. It has clearly set the picture of the housing crisis in its proper perspective. The resignation yesterday of the Minister of Transport, and the reasons he gave for relinquishing his number two spot in the government of this country, have shaken thoughtful Canadians to the core. The general public expects criticism of government policy from members of the opposition party. However, when one of our key cabinet ministers resigns in protest over weak, ineffective and indecisive government policy, and when he warns all Canadians that we are headed in the wrong direction, that we are weakening our central government, it is certainly time for the general public to turn the searchlight on the policies of the present administration.

It is time for the government members in this house to assess their own position. A disastrous course set by the government today could bring real and increasing trouble to our nation before the term of this parliament expires. The resignation of the Minister of Transport has been a tragic one. It has brought to all Canadians the fact that the present administration does not have a solution to many of the major problems facing our nation. It is high time this government set down a clearcut policy on a number of issues so that all Canadians would know where we are heading.

We have seen indecision and delay in respect of a number of issues. These include housing, urban development, pollution, foreign policy, unemployment, pensions, regional development and many other problems. Let us look briefly at the resignation statement of the minister. He did not give up his post merely because of a lack of policy in the housing field. His statement is a stinging repudiation of this new administration. It is a castigation of present government policies. It is a warning to the Canadian people, and it is a plea to the members of the government to change direction.

In looking over the resignation statement which the minister gave to the press and to the people of Canada yesterday, I note the minister pointed out that he felt the present Prime Minister (Mr. Trudeau) was pursuing a policy which was resulting in a federation of ten semi-autonomous states held together by a weak federal government. This is not a statement coming from opposition members in the house. This is a statement coming from the number two man in the Liberal party, the number two man in the government of this

nation of ours. He said that the Prime Minister's "classroom brand" of federalism was hobbling the country. Most of all, he said, it was holding up housing; it was delaying action on pollution; it was crippling urban development; it was stalling urgent action on many other gut issues. The Minister of Transport said he could not accept this situation.

When we examine in detail the statement which the minister made yesterday, it would seem it is high time that everyone sitting in this house did a little more thinking about the direction in which this government is taking Canada and Canadians. I have been here since September. I have heard a host of promises from ministers of the government. I have heard them tell us what they were going to do about the housing problem facing Canadians.

• (7:40 p.m.)

Let us see what the minister in charge of housing, the key man in the government and the number 1 expert on the housing problems of this nation, had to say yesterday. What he said was, that he could see "little or no chance in the coming "weeks or even months", of any of his housing task force recommendations being accepted by the government." He went on to say, as reported in the Ottawa *Journal* of April 24:

I say housing is a matter for the federal government. It always has been. It should be now, with Ottawa giving strong leadership.

This afternoon we heard member after member from the Liberal side of this chamber repudiate the statements made by the former minister. We have had an indication since September that strong leadership would come from the present administration. Suddenly, we find that it has not come and apparently there is little intention on the part of the present administration to give effective leadership to the Canadian nation in the field of housing.

The minister went on to discuss another phase other than housing and said:

My constituents, many of them poor people, can't wait.

The kids who tried to swim at a beach in my riding last summer can't wait for somebody to decide who should clean up the pollution.

I say that we, as Canadians, cannot wait any longer for this ineffective, weak, vacillating government to take action in the field of pollution. For too long we have had these important problems in respect of housing, pollution, urban development and unemployment hanging over our heads like millstones.

[Mr. Harding.]

Finally, in desperation one of the key men in the government party had to throw in his resignation because he could not accept this inaction any longer. Hon. members in the Liberal party should give a lot more thought to standing up to the Prime Minister and demanding that changes be made, particularly when we are heading in a direction that is not good for Canadians.

Let me spend a few minutes more discussing one or two statements made yesterday, because they are vitally important to Canada. We in this party have been critical, as we are being critical today—perhaps more so than ever before—of this government. Let me refer to what the former Minister of Transport, who was in charge of housing, had to say as reported in the same article. The article reads:

Now, he has found himself stymied by a Prime Minister who insisted that "constitutionally many of these things are not federal responsibilities."

He was referring to urban problems, problems in respect of housing and pollution.

During the election last June, this government gave every indication to the people of Canada that it was going to deal with these problems. When we arrived in Ottawa we found that the Prime Minister and his cabinet had deliberately misled the Canadian people. They did not tell Canadians during the election campaign last June that they were going to abandon the housing problem and place it on the shoulders of municipal and provincial governments. They did not say last June that they were going to throw housing and pollution problems over to municipal and provincial governments. They never told the people last June that they were not interested in the urban problems facing this nation. They did not tell the people last June that this was the direction in which they intended to proceed. I suggest it is high time every member in this house did a great deal more serious thinking about this resignation and this statement than has been done in the short period since it was made.

The minister made another statement which I think is worth reading into the record. He said:

The Prime Minister's constitutional theories sound fine in the classroom—the trouble is they just won't work.

People expect the federal government to provide full employment—without this insidious inflation—to take action on clear air and clear water. These are the bread and butter issues. But these are the issues the Prime Minister says must be left to the provinces while he sorts out the constitutional priorities.

This is not criticism by a member of the N.D.P. or the Conservative party. This is a criticism coming from the number two Liberal of this country, as of yesterday.

Let me make a very quick review of the housing problem that faces Canada. When we came to Ottawa, the members of this party had a program in respect of housing which we thought would work, and we presented it to the Canadian nation. I have no regret because of the stand we took. Last September when we came to Ottawa for the first session of this particular parliament we were told by this government we were to expect a just society. What a wonderful vision this was. The poor "Joe" in the most humble home began to think that at last we had a Prime Minister and a government which might do something for Canadians. I came here filled with the hope that at long last the government and the Prime Minister were interested in the problems facing all Canadians. What happened?

We had not been here very long before this problem of housing was pushed aside. We then had to appoint a task force to look into housing problems. We have been looking into housing problems in Canada for many years. I am sure every hon. member has a thick file with suggested solutions to this problem.

In order to stall for time, this task force was set up. It travelled across the nation and heard briefs from a number of organizations. We were told the report would be made in December. Then, we were told it would be made in January, or that legislation resulting from the report would be presented. We were told the same thing in February, then in March and then in April. We are now very close to May. There is an indication that at long last some legislation is to be brought before the house.

Mr. Alexander: Don't bet on it.

Mr. Harding: If there is one thing I will bet on so far as legislation is concerned, it is that the minister would not have offered his resignation at this time had the proposed legislation included a majority of the recommendations of the task force.

• (7:50 p.m.)

The task force report was extremely weak. The need for public housing was completely ignored. Then, we find the Minister of Transport handing in his resignation because of lack of action by the cabinet. I ask, Mr. Speaker, who in Canada needs housing? It is not the members of the House of Commons; it is not people in the higher income brackets. The people in Canada who need adequate housing are those in the lower income brackets. What has been done about this problem? What are the suggestions from the government benches? Statistics have been thrown at us today by the Prime Minister and others. With regard to housing starts and houses constructed in Canada over the past two years, the vast majority have been for people in the well-to-do class in terms of income. Today, you have to earn $8,000 or $9,000 a year before you can obtain a loan under the National Housing Act. What about the people in the $2,000 and $3,000 a year income class—what is the government doing for them? Is this part of the just society? Is this the Liberal vision of bringing justice to a group of people who are in dire need? What are the plans of the government?

I have read the report of the task force and listened to speakers from the government side of the house, but nowhere do I find even the suggestion of solutions to the problem. In Canada today one million families live in poverty; this is the estimate of the Economic Council of Canada. One hundred thousand Canadian families in our large cities are waiting for public housing accommodation. We are told that the government cannot do anything about it because it is a municipal and provincial problem. There are recommendations in the task force report, inadequate as they are. One solution is to bring down the cost of housing to a level which people can afford. Then, they will be able to own their own homes; young couples will be able to live in homes of their own and raise their families. But we find that recommendation after recommendation has gone by the board.

Our recommendation, to cut out the 11 per cent federal sales tax, has been stamped upon by the Minister of Finance (Mr. Benson). Just yesterday or the day before he indicated, in answering a question in the house, that the tax would not be removed. This is one solution, but the government has not the gumption to act up on it. There is the problem of land assembly, and the curtailment of costs. If you go down the line you can find 20 or 30 items in regard to which the government has done nothing and intends to do nothing. The people of Canada should know what this government is doing to solve the problem. They should know why there has been this stalling by the government. That is why I welcome the opportunity to raise this issue in the house.

Housing

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, the motion before the house is of great importance. We are dealing with more than the resignation of a minister; the question facing us involves basic questions of government policy. When the minister resigned, he gave a press conference and made charges against the government of the Prime Minister (Mr. Trudeau) more serious than any made from this side of the house. He has brought into question the whole area of government policy on major matters affecting many millions of Canadians living in urban centres.

The Minister of Transport has placed before parliament and the people, in the most public way possible, a basic disagreement within the cabinet about the government's constitutional position. He has stated that he cannot accept the narrow and inflexible position taken by the Prime Minister, which has the effect of preventing action in the fields of housing, urban renewal, pollution and all the other matters affecting the populations of our great cities.

The minister has brought to light a basic and serious disagreement on policy. To do this, he resigned. That does not settle the question. It does not free the Prime Minister from the onus of placing before the house his views on these matters and reassuring the people of Canada that he has not, in fact, adopted a position which is not consonant with the great problems which we face in these areas. The problems affecting the urban populations of our vast metropolitan complexes such as Toronto, Montreal, Vancouver, Edmonton, Winnipeg, Calgary, Halifax and Ottawa are the most serious, urgent and vital problems which we have before us today.

An hon. Member: And Cornerbrook.

Mr. Paproski: My hon. friend says, "And Cornerbrook".

Mr. Alexander: And Hamilton.

Mr. Paproski: And Hamilton. Parliament has voted hundreds of millions of dollars. We have witnessed a number of conferences at the federal-provincial level, and many of us have attended conferences designed to come to grips with these problems. It is a fact that when the government invited the provinces to Ottawa on these questions, shortly after the Prime Minister assumed his high office, the provinces went away empty-handed and disappointed. We know now why this was so. The reason was simply that the government refused to recognize the problems.

[Mr. Harding.]

It is obvious that the Prime Minister suffers from some kind of mental block when it comes to urban problems. The minister in charge of housing, transportation and urban problems is a reasonable man. He has held important and responsible portfolios; he was the architect of the unification of the armed forces; he was the chairman of a housing task force with which he allowed himself, as minister, to be actively identified. There is no question about his sincere appreciation of the problems involved in the urban field.

One can sympathize with and understand his feeling of frustration as month after month went by and nothing was done about the extremely serious problems affecting Canadians living in the big cities. In the face of the inertia and steadfast refusal of the Prime Minister to take the problems seriously, the minister, who is an honourable man, resigned. Because of that resignation we see the problem affecting this country today. That problem is indecision at the highest level; indecision about taxes, indecision about housing, indecision about inflation and indecision about pollution.

What of the old people eking out a miserable existence on $120 a month, while this government spends $50 million on a concrete shell in the city of Ottawa, and the Prime Minister disappears to Bugaboo Lodge, as my colleague the hon. member for Hamilton West (Mr. Alexander) said? It was the Prime Minister's indecision which finally became a bugaboo for the Minister of Transport. He was the No. 2 man in the cabinet. There was no room in that cabinet for a No. 2 man there was room only for a No. 1 man. The No. 1 man is the Prime Minister, and don't you forget it.

• (8:00 p.m.)

Well, when the No. 1 man cannot make up his mind, what does the No. 2 man do? He resigns.

I, for one, am ready to give the Minister of Transport credit for a courageous act. We have seen the growth of ghettos transforming formerly attractive cities into sad and debilitated areas. We have seen pollution transforming attractive waterways into open sewers. We cannot go on selling out our heritage for a mess of pottage. The minister knew that. Yet, nowhere in that cabinet could he get any sympathy for his point of view.

The Prime Minister says, "We are spending a lot of money". No one will deny that. What are we getting for it? It is not the number of

housing starts that we are worried about. As the Prime Minister said today, it is the number of completions in a single year, and it is the soaring cost of those houses once they are completed.

Let us not forget that the 11 per cent tax that this government imposed represents one of the major elements in escalating the price of homes beyond the reach of ordinary Canadians. The more the value is inflated, the bigger the tax gets. A $12,000 home five years ago is a $16,000 home today, and the tax is applied to the $16,000. Naturally, it becomes a bigger and bigger tax as prices go up.

We all know that action must be taken on urban problems. We all know that there must be a minister in the government with whom the provinces can deal, a minister to whom the provinces can turn with their problems, a minister with whom the municipalities can confer. We will have a new minister in charge of housing, I hope. I do not envy him that position because he will have the same problem as did the former minister, namely, the problem of getting this government interested in the "nuts and bolts" questions of keeping this country a good place for Canadians to live.

The Minister of Transport is not the issue here, nor the minister's resignation. The issue here is the Prime Minister and the policies or lack of policies which made that resignation necessary. It is up to the Prime Minister to explain to the house what his polices are. We do not want the wishy-washy cover-up we got yesterday, but a full, frank and complete exposé of the government's program for housing; their program for making land assembly funds available to municipalities; their program to combat pollution and the blight of urban decay. That is the only way in which the Prime Minister can deal with this situation.

Has he or has he not got a program? If he has, what is it? We have waited a whole year now for some sign of action on the part of the government, some realization on their part that there were problems in these areas and that something had to be done. There has not been the slightest indication that the government even recognizes the problems. Naturally, if they do not recognize them, they cannot solve them.

The issue is a simple one. Both the Minister of Transport and the Prime Minister cannot be right. One of them must be wrong. If what the minister said is true and the Prime Minister is taking a hand's off attitude about some of the most serious and urgent problems affecting Canadians in every province, then he should say so and take the issue to the people. If the Prime Minister feels that his constitutional beliefs are such that the government can neither co-operate with the provinces nor show leadership in the fields of housing, pollution, urban transit, and slum renewal—and this is what the provinces themselves have charged—then let the Prime Minister say so in a frank and honest way. Let him take the question to the people so that Canadians can decide whether or not they want leardership in these fields.

Let him take the issue to the people and let us see whether they will believe the Prime Minister's lame, halting, confused explanation, or the clear, concise position taken by the Minister of Transport. This is a matter so important to the future of this nation that only the people can decide.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I regret that it has been necessary for me to miss a good part of the debate today. I realize that a great deal has been said on this subject and that many facts and figures have been adduced. However, I feel that, coming from the west coast, I have something to say on behalf of the people out there for whom a housing crisis does exist, as a matter of fact, for whom a housing crisis has existed for a long time. Many of these people will be terribly upset and disappointed when they listen to or read the words the Prime Minister (Mr. Trudeau) spoke here this afternoon. He said that, in his opinion, there is no housing crisis in Canada at the present time. There is none for the Prime Minister. There is none for most of us here in the house, and there is none for a great many Canadians because the housing crisis is basically a crisis of income and those people who can afford to rent or to buy decent housing accommodation can do so. As for the other people, the two-thirds of Canadians who have incomes of below $7,500, there exists a very great housing crisis, increasing in severity as one goes down the income scale.

It is not a new thing for the Prime Minister to have told us that no housing crisis exists. He said this last fall in the speech from the throne in which there was no mention of one of the major problems facing the Canadian people today, namely housing. Nor has there been any subsequent action which would result in providing homes for the people who

need them in this country, people in the moderate and low income groups. There has been no subsequent action of any kind until the task force was hurriedly set up and travelled across Canada.

I am beginning to understand fully why the Minister of Transport decided to head the task force. I know of no other commission or committee of this type which has ever been headed by a minister. In my view it was a very strange thing to do, but I think I know why the minister did it. When a government does not like the recommendations in a commission report, frequently it pigeonholes it. I rather suspect that if an independent commission had gone across this country and the government had not liked the recommendations of that commission, that is what it would have done. So, the Minister of Transport decided not to run that risk and he headed the task force himself. Then, he hoped that the government would like the recommendations of the task force. However, the government was not even prepared to accept the recommendations of this task force headed by a cabinet minister. The resignation of the minister in charge of housing, in my view, marks the complete and total failure of the government to deal in any way with housing in this country.

The thing that most appalled me in the Prime Minister's speech this afternoon was the total lack of consideration which he displayed for people with moderate and low incomes. Even worse than that was the total lack of any knowledge of how people, apart from those in the upper income levels, have to live in Canada. As he spoke I could not help thinking of the time when Marie Antoinette, prior to the French revolution, was told that the people had no bread to eat. She replied, cheerfully and logically, "Let them eat cake". Today, the Prime Minister, when told that these people had no homes in which to live, said, equally cheerfully and gaily in effect, "Let them go to Bugabook, or the West Indies, or some place else. There is no housing crisis in Canada".

• (8:10 p.m.)

As a matter of fact, we are reminded of an incident which took place not many weeks ago when the Prime Minister, in an exercise of participatory democracy, headed down to la Petite Bourgogne, a housing project in Montreal. He was met by a group of tenants who noisely demanded housing, and the Prime Minister had absolutely nothing to say to them. He left, and participatory democracy was left behind. He had no housing policy to give them. He did not even know that for these people there was a housing need. This is what we should be worrying about in Canada. The Prime Minister is worrying about the constitution and using it, as prime ministers have done over the years, as an excuse for doing nothing. This is nothing new on his part. For a long time the constitution has served as a shield for inaction with regard to pressing problems at the federal level. Instead of spending his time worrying about the constitution and using it as an excuse for inaction, the Prime Minister should start worrying about the people of this country, particularly the wellbeing of those who are in the low income brackets and are unable to look after themselves.

Consider the Hellyer Report for a moment. It says bravely that every Canadian should be entitled to clean, warm shelter as a basic human right. Yet the government knows, or should know, that private enterprise cannot possibly meet the housing needs of the great proportion of the two-thirds of Canadian families whose annual income is below $7,500 a year. The government is also aware that its own agency, the Central Mortgage and Housing Corporation, has provided in the past largely for the needs of the income group covering the upper 15 per cent in this country, though it is supported by all the taxpayers of Canada. The government knows that more than a million Canadian families have incomes of less than $5,500. It has been told by every housing expert in the country that public housing oriented to the needs of low-income groups is the only way in which people with low incomes can hope to have decent housing.

Despite this, the task force made a recommendation to put public housing in a deep-freeze until its less desirable features could be removed. Even so, the government was not willing to accept the report. Mr. Speaker, I come from Vancouver where there are two big urban renewal projects for which the city has been preparing. The architects and others have been working on them for two years.

Mr. Francis: May I ask the hon. lady a question?

Mrs. MacInnis: I do not want a question right now. Ask me at the end.

Over and over again, the green light has been sought from this government in connection with these projects so that work could go ahead to rehouse people who so badly need modern, decent housing. These efforts have

met with no success. Today, again, my hon. friend from Vancouver East (Mr. Winch) asked about them. I, myself, have asked about them on a number of occasions. The City of Vancouver has been sitting on the doorstep waiting anxiously but can get nothing from this government. It is true the Prime Minister says: We are looking at these bread and butter projects. What people need is not looking, but action.

They need a Prime Minister who can see that there are needs of this kind, one who does not have to be reminded by disorder in the streets that we need urban renewal and attention to urban problems. We were told yesterday by the vice-chairman of the Economic Council that if action is not taken to deal with poverty and these urban difficulties, we shall likely get disorder in Canada's streets along the lines of that experienced to the south. Does the Prime Minister look forward to a situation of this kind?

I should like to remind the government of the need of young couples who are starting to raise families, but who lack decent accommodation in which to do so. What is the sense of our spending money on education, on the rehabilitation of young people and in a host of other directions if we allow the very seedbed of Canadian citizenship to remain in such a poor condition? Good citizens cannot possibly be raised in some of the conditions we find in housing today, these fire traps and rat traps about which we have heard in so many speeches.

I should like to make a plea, too, for the elderly people who cannot find a place in which to live. When I was home at Easter many such cases came to my attention. An elderly lady was living in a small basement room; she had been told to leave and had no place to go. A mother was trying to raise two girls in one little room behind a store. She found there was a long waiting list for public housing, and that nothing short of death would create a vacancy. Even then, there were too many people ahead of her. And what about the 40,000 families where there is no father as breadwinner, or the families who are living on relief, or those which are supported only by the mother? These are the people of whom I am thinking, and they are to be found in every Canadian city.

When we get a replacement for the Minister of Transport (Mr. Hellyer), I think we should get twins. It is no use having a minister of transport in charge of housing. The Canadian people are sick and tired of having housing tied like an appendage to other departments. In the eight years since 1960, housing has been tied to five different departments. It has been shifted from one to another. What is everybody's business is nobody's business. Though the government pays lip service to the principle that housing should receive a high priority, responsibility for housing has been made an appendage of the Department of National Revenue, the Department of Labour, the Department of Public Works—I cannot remember the others for the moment. The Prime Minister could, of course, reserve it for himself. If he does so, he will be giving this responsibility to somebody who says he cannot see evidence of a housing crisis. In that case, it will become a little memory and will go the way of other memories connected with housing in this country.

I urge the Prime Minister and those behind him to see the writing on the wall while there is yet time. We have seen no disorder in our streets yet. We still have citizens who believe that the Prime Minister and the government intend to do something; that all the shiny new machinery that has been set up since the beginning of September will produce results and that all the extra civil servants are there for some purpose. They believe that the regional desks, the extra boards and commissions will be turning out services and facilities which the people need. While they still believe these things, let me urge the government to take action before it is too late. I suggest that the Canadian people will be patient only for a little while longer. When they find they will not get houses, when they find nothing will be done, there will be a change. The Canadian people are going to turn into something very different from the patient, quiet, well behaved citizens they have been. If the government will not solve these problems for the well being of the people and out of concern for the way the majority of the people in this country have to live, let them do it in order to save themselves while there is still time. We in Canada are patient, but there is a limit to our patience.

• (8:20 p.m.)

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, in the wee small hours of this morning, Mr. Jean Beliveau said "I am going to put an end to it", and did precisely that. I think there is a general agreement on this side that my contribution will wind up this particular game of overtime.

The history of housing in Canada has many chapters that could be considered studies in

frustration. To this state of frustration has been added the tragedy of a man who has put a great deal of enthusiasm into trying to do something about the housing situation in Canada. He has been frustrated and his reward is to depart from a high position in public life.

Since two o'clock this afternoon, we have debated many aspects of the situation. Two of the most important aspects are the government's approach to the constitution and, what has been hardly touched upon, the reorganization of the government departments as well as the related question as to whether they can reach decisions easily. It seems one of the by-products of the approach of the present Prime Minister (Mr. Trudeau) to government has been to make the decision process more cumbersome than it had been previously.

We heard the Prime Minister speak this afternoon. He put forward the best face he could following the resignation of his senior Privy Councillor. When the Prime Minister's speech was finished, Mr. Speaker, the fact still remained that the body was still at the scene and so was the Prime Minister. I suggest that with the Minister of Transport continuing to occupy a seat in the house, the Prime Minister will find himself very much like MacBeth who was haunted by the ghost of one he had slaughtered.

The Prime Minister has not given us an explanation of the differences between himself and the Minister of Transport. No explanation has been given, yet this is the real purpose of the debate. If we cannot get the information inside the House of Commons, we can look at what happened over the past few months. We can look at the statements made by these gentlemen outside the house and get a pretty clear idea of what has happened.

The Prime Minister has mentioned the proposed amendments to the National Housing Act. This was the legacy from the Minister of Transport. I listened carefully to the Prime Minister on this point. He seemed to deal with specific aspects of the housing problem, but not with the heart of the problem. The heart of the housing problem is twofold. The first aspect of the problem is the cost of housing, and the other is housing for people with lower incomes. With neither of these core problems has the government been conspicuously successful in arriving at good solutions.

As the hon. member for Vancouver-Kingsway (Mrs. MacInnis) noted, housing has been

[Mr. McCleave.]

an additional portfolio. What has been done by the various ministers? Mr. Nicholson carried out a series of symposia from coast to coast. The right hon. Mr. Pearson held a dominion-provincial housing conference which was one of the more monumental fiascos in these parts. Following the last election, the Minister of Transport enthusiastically travelled around the country heading up a task force.

The task force has made its report, but what actual changes have occurred in housing policies since the last election? There has been some extra home building as a result of a $170 million windfall. This was simply a diversion from public housing because that money was not spent for public housing, but used for home building.

Secondly, there was the cut in public housing because of sociological and other distressing factors. The Minister of Transport promised he would bring in the criteria for acceptable housing projects. This has not been received yet, and today was supposed to be the last day this would be presented. For historians of this rather interesting occasion, I refer to *Hansard* of last Thursday in which there are exchanges dealing with this criteria. On Tuesday of this week I asked the Minister of Transport when those criteria would be available. He did not say "by the end of the week", but "fairly soon".

I suspect the failure to win acceptance for this criteria may have been part of the minister's frustration. An announcement was made with regard to a start on two housing projects for lower income people in Ottawa. I think these will be very worth while. I certainly hope they achieve what the minister had in mind. However, it is a very small experimental start on what is really a very severe national problem.

One specific act in the field of housing is the provision for more flexible National Housing Act mortgages with periodic reviews. A person is not faced with the prospect of having to settle for one fixed interest rate over a long range mortgage but can have a short range mortgage which will be negotiable at the end of five years at whatever interest rates prevail at that time. I suggest this really means people are asked to gamble, to guess, or both. If any of us in this chamber five years ago could have guessed what type of mortgage position we would be in today, I think we would be horrified. Five years ago no one would have anticipated mortgage rates of 10 per cent and second mortgage rates of almost double that.

• (8:30 p.m.)

These are four things that have happened in the housing field since the Minister of Transport was appointed to head the task force and made responsible for Central Mortgage and Housing Corporation. No wonder the story reeks of frustration. There are other factors, of course. The government ignored his task force report and the suggestion going to the core of the problem, the one to do with setting up a department of urban affairs. All those recommendations were met with a blunt no. When the hon. member for Broadview (Mr. Gilbert) asked in this chamber whether the 11 per cent sales tax on building materials was to be removed, the Minister of Finance (Mr. Benson) dismissed the idea in a cavalier manner. He also did that the other day, almost out of contempt for the ideas of the outgoing Minister of Transport.

On looking through the transcript of the press conference one finds that the minister considered most important the idea of making loans to municipalities, with the concurrence of the provinces, of course, so they could buy serviced land. The idea was to buy time with the constitutional purists of the cabinet, but that did him little good. He considered that such a policy was most likely to succeed and was the most practical policy. In the transcript he is reported as saying, in part:

> The reason I feel that is very important is because it is the only way that I know that you can get the cost of housing down quickly. Well, I shouldn't say the only way—the most practical way, the thing that is most likely to succeed in the short run, and consequently I put considerable importance on it because I think the cost of housing could be reduced by say $1,000 to $2,000 per unit for all houses built in Canada in perpetuity, by aggressively pursuing this policy.

There, he was speaking of something that was at the heart of the recommendations contained in the report of the task force. That was all whistled aside because of a constitutional position about which many of us have serious doubts. No wonder the minister could take it no longer and simply backed out.

Years ago, in the 1920's and 1930's, one of the great English judges on the judicial committee of the Privy Council looked at the Canadian constitution and treated it with what lawyers call the living tree approach. That is, the constitution was not the bare bones of something put together in 1867 but was a growing and useful instrument which took into account precedents arising from dominion-provincial developments over the years following the enactment of the British North America Act. I think the living tree philosophy for a constitution is sound. I suggest that the Prime Minister has taken the living tree of our constitution and vigorously pruned many of the new limbs. Has the man never heard of Central Mortgage and Housing Corporation?

Mr. Bell: I doubt it.

Mr. McCleave: Why, if the Prime Minister's philosophy had held sway in previous years the National Housing Act would never have become reality. Have not the National Housing Act and Central Housing and Mortgage Corporation become great instruments for the development of Canada?

Again I say that the Prime Minister has taken the living tree of our constitution, knocked off all kinds of branches and turned it, or tried to turn it, into dead wood.

The Acting Speaker (Mr. Richard): Order, please. Pursuant to Section 13 of Standing Order 26 I am satisfied that the debate has been concluded. I, therefore, declare the motion carried.

Mr. Bell: Mr. Speaker, is there anything particular for Monday, if the government can look that far ahead?

Mr. Macdonald (Rosedale): Business will be as announced yesterday, Mr. Speaker.

The Acting Speaker (Mr. Richard): Order, please. Before adjourning I think we ought to extend our thanks to the staff and to the officers of the house.

Some hon. Members: Hear, hear.

The Acting Speaker (Mr. Richard): And to many who have contributed as much as those who spoke in the debate.

This house stands adjourned until Monday, at 2 o'clock p.m. I hope you all have a happy weekend.

At 8.40 p.m. the house adjourned, without question put, pursuant to standing order.

END OF VOLUME VII